

A Work Project, presented as part of the requirements for the Award of a Masters Degree in
Management from the NOVA – School of Business and Economics.

A Marketing Strategy for *Gelados Nestlé* based on the Young Adults

Helena Maria Saraiva de Refóios Braz da Silva

#1068

A Project carried out on the Gelados Nestlé Internship, under the supervision of

Prof. Luisa Agante

June 2013

This thesis is CONFIDENTIAL and therefore its content cannot be accessed by anyone except the thesis' jury and cannot be read or distributed without the consent of Nestlé Portugal.

Index

| | |
|-------------------------------------|----|
| 1. Executive Summary..... | 4 |
| 2. Situation Analysis | 5 |
| 2.1. Description of the firm..... | 5 |
| 2.2. Market Overview | 5 |
| 2.3. Competitive Analysis..... | 6 |
| 2.4. SWOT and TOWS Analysis | 7 |
| 3. Strategic Triangle | 8 |
| 3.1. Segmentation | 8 |
| 3.2. Targeting | 10 |
| 3.3. Market Strategy..... | 11 |
| 3.4. Positioning | 12 |
| 4. Marketing Mix..... | 14 |
| 4.1. Product | 14 |
| 4.2. Price | 16 |
| 4.3. Distribution | 18 |
| 4.4. Marketing Communications | 20 |
| 5. Implementation Plan | 26 |
| 5.1. Man | 26 |
| 5.2. Minute..... | 28 |
| 5.3. Money | 28 |
| 6. References | 30 |

List of Tables

| | |
|--|----|
| Table 1 - Competitive Analysis | 7 |
| Table 2 - Evaluation criteria and ranking for segment attractiveness | 11 |
| Table 3 - Gelados Nestlé and Olá's positioning | 12 |
| Table 4 - Needs features and benefits of Maxibon and Extreme..... | 15 |
| Table 5 - Gelados Nestlé and Olá's RRP | 17 |
| Table 6 - Incremental costs | 20 |
| Table 7 - Schedule of Activities | 28 |
| Table 8 - P&L | 29 |

List of Figures

| | |
|---|----|
| Figure 1 - Segmentation | 10 |
| Figure 2 - Nestlé and Olá's positioning | 13 |
| Figure 3 - Current Distribution Model | 18 |
| Figure 4 - Proposed Distribution Model | 19 |

1. Executive Summary

The aim of this Work Project is to develop a marketing plan for the ice cream division of Nestlé focusing on the impulse segment. Despite of this project being centered on the young adults, it still aims to reach the entire impulse market. The goal of the plan is to increase brand and product (in particular, Maxibon) awareness, change the brand's image towards a more cool and modern one and ultimately increase sales. In order to do that Maxibon was chosen to be the main figure in the marketing communication activities. Therefore, an analysis of the brand, the market and its competitors was firstly done in order to understand the situation context. The suggested marketing plan was developed while during an internship at Gelados Nestlé, and was based on the information gathered, either through interviews to Gelados Nestlé employees and also on specific market research that was conducted through two online surveys¹. The marketing plan proposes recommendations regarding the product, distribution, price and promotion.

Keywords: Gelados Nestlé; ice cream; marketing plan; young adults; Maxibon.

¹ The first online survey was conducted with the objective of understanding the consumers' recall, recognition, attitude, appreciation and consumption of ice cream. N = 666; the second survey was performed with aim of identifying the interests and desires of the target and its perception and attitude towards Gelados Nestlé and music festivals. N = 90

2. Situation Analysis

2.1. Description of the firm

Nestlé S.A. is a Swiss multinational enterprise founded in 1866 that conquered a global presence by establishing operations in 194 countries and thus becoming the world's leading nutrition, health and wellness company². **Nestlé Portugal S.A.** started its activity in Portugal in 1923, operating in numerous product areas such as Nestlé Nutrition, Beverages, Roast Coffee, Chocolates, Ice Cream, Cereals, Pet Care and Waters. (Nestlé Brochura Corporativa, 2012) The ice cream activity in Portugal started in 1988, under the name of Camy and in 2008 the brand was changed to what is known nowadays - **Gelados Nestlé**³. Gelados Nestlé **vision** relies on the combination of pleasure and delicious flavors, coupled with a responsible approach to nutrition and wellness. Moreover, the **values** are based on nutrition and wellness, creation of magic and special moments and pleasure of savoring a Nestlé ice cream. As for the **mission**, is to sell more ice creams to more people in more places and ultimately make more money.

2.2. Market Overview

The ice cream market in Portugal accounts for 38.771.688 liters⁴ and values €223 million. This market is divided into two segments: **Out-of-Home** (OOH) and **Home**⁵. In recent years, there has been a consumption transfer from OOH to Home⁶ and some OOH Points of Sale (POS) are closing. However, the market showed that for the past five years the majority of the value has been extracted from the OOH market⁷. The OOH market can be further divided into three segments: **Impulse**, **Scooping** and **Food**

² <http://www.nestle.com/aboutus>

³ <http://www.geladosnestle.com.pt/Conheçamos.aspx>

⁴ 3.67 liters per capita

⁵ The Home market can be divided into two categories: Desserts and Multipacks

⁶ The OOH has been showing some decrease while the HOME has been increasing both in value and volume.

⁷ From 2008 to 2012 the OOH market has accounted for around 69% of the value

Service⁸. From 2008 to 2012, all the OOH segments have been decreasing with the exception of the Scooping segment that benefited from the growth of traditional ice cream scooping stores and “all inclusive” hotel models⁹. Nevertheless, the Impulse segment has been able to account for the majority (75%) of the market value in the past five years. Besides, almost 80% of Gelados Nestlé’s value is obtained through the Impulse segment. Since Gelados Nestlé’s presence in the Home market is immensely small¹⁰ and in the OOH market it is the Impulse segment that extracts almost all the value, it seems reasonable to focus this project on the that specific segment – **Impulse**.

2.3. Competitive Analysis

The Impulse market is mainly composed by two players: Unilever (**Olá**) and **Gelados Nestlé** and functions almost as a duopoly that has been led by Olá for the past years¹¹. It is important to note that Olá has been present in the market for the past 54 years¹². Since Olá and Gelados Nestlé together control almost the entire market, the remaining market share belongs to other very small companies, such as Kalise. The online survey also showed that Olá is the top of mind brand being recalled by 96.9% of the respondents, while Gelados Nestlé registered only 59.4%¹³. However, Gelados Nestlé was able to reach a respectable 90.9% in brand recognition¹⁴. Based on the online survey that was developed as a market research tool, it was possible to take conclusions concerning attributes that define both Olá and Gelados Nestlé. The differences in all variables between Olá and Gelados Nestlé are statistically significant ($p=0.00$) with the exception

⁸ Impulse is the ice creams that are usually sold in coffees, beach bars and esplanades. Scooping relates to ice cream cuvettes (between 2,3L and 5L) that are usually sold to hotels and restaurants. Food Service includes frozen desserts that are sold in restaurants.

⁹ Sol. 2011. “Portugal adere à moda das férias 'tudo incluído’” July, 31

http://sol.sapo.pt/inicio/Economia/Interior.aspx?content_id=25292

Presstur. 2012. “Pestana Delfim e Pestana Bay já reabriram e voltam a funcionar em ‘tudo incluído’” April, 1

<http://www.presstur.com/site/news.asp?news=41700>

¹⁰ Less than 1% in market share.

¹¹ Nestlé market share had ups and downs on the last five years and went from 10.2% in 2008 to 9.7% in 2012 (in value), while Olá market share moved from 88.2% in 2008 to 89.5% in 2012 (in value).



¹² DN Economia.2009.. “50 anos a refrescar os portugueses” October, 25

¹³ Appendix 4, Section III; Booklet 2.

¹⁴ Appendix 4, Section IV; Booklet 2.

of the variable price ($p=0.39$)¹⁵. Through Table 1 it is possible to affirm that Olá is superior in all variables with the exception of price. The difference between the two brands is considerably high regarding almost all the variables. The only variable that shows a smaller difference between Olá and Gelados Nestlé is sophistication. Lastly, the variable price is the only one in which Gelados Nestlé is superior by being perceived as less expensive than its competitor.

Table 1 - Competitive Analysis

| | Quality | Flavor | Price | Sophistication | Pleasant | Likability | Attractiveness | Modernity | Recommendation | Purchase |
|---|---------|--------|-------|----------------|----------|------------|----------------|-----------|----------------|----------|
|  | 5,3 | 5,5 | 4,8 | 4,7 | 5,6 | 5,6 | 5,2 | 4,7 | 5,3 | 5,3 |
|  | 6,1 | 6,3 | 4,9 | 5,0 | 6,5 | 6,5 | 6,2 | 5,3 | 6,4 | 6,5 |

Scale from 1 - Low to 7 - High

2.4. SWOT and TOWS Analysis

A SWOT Analysis evaluates Gelados Nestlé's internal strengths and weaknesses, along with the external opportunities and threats that are present in the ice cream market. For further detail regarding the SWOT analysis consult Appendix 2 on Booklet 2. A TOWS analysis is useful to identify strategic alternatives that maximize opportunities and minimize threats and risks.

| SWOT Analysis | TOWS Analysis |
|---|--|
| Strengths | How to benefit from the strengths? |
| <ul style="list-style-type: none"> Renowned company's name Nestlé that signifies quality Well-known star brands: KitKat, Smarties, Nesquik and Maxibon. High quality and flavored ice creams. Belong to Nestlé Iberia, in which Helados Nestlé is the market leader in Spain. | <ul style="list-style-type: none"> Use Nestlé's name to convey a sense of high quality. Take advantage of famous brands like Maxibon to incite consumers to experiment Gelados Nestlé. Combine high quality and flavor as a key factor to differentiate from the competition. Explore some best practices made by Helados Nestlé, such as the way Maxibon is communicated. |

¹⁵ An analysis of brands' attributes means equality can be found in Appendix 1, Booklet 2.

| Weaknesses | How to overcome the weaknesses? |
|---|---|
| <ul style="list-style-type: none"> • Small brand awareness, especially regarding the products. • Low market share. • Nestlé is not present in public events. (eg. music festivals). • Weak communication of Gelados Nestlé brand. • Distributors' network is inadequate to the need of business growing. | <ul style="list-style-type: none"> • Use the star brands (in specific, Maxibon) to increase brand awareness. • Strengthen the distribution channel in order to increase market share. • Sponsor events that are related to young adults. • Elaborate a solid mass media communication to create buzz around the brand. • Delineate a distribution network that would be able to sustain the growth of the business. |
| Opportunities | How to benefit from the opportunities? |
| <ul style="list-style-type: none"> • Explore alternative and cheaper TV cable channels to advertise to specific target segments. • Establish a closer relationship with the target through online media. • Explore alternative and considerably cheap ways of advertising online, such as Facebook ads and Youtube pre-rolls. • Establish a presence in music festivals that are seen as cool and trendy (eg. SuperBock Super Rock) | <ul style="list-style-type: none"> • Use Sic Radical and Fox to reach its target viewers – young adults and thus, increase awareness. • Create online contests through Facebook that engage the consumers with the brand. • Through online marketing it is possible to focus on the target market and therefore reach a more specific segment. • Change the attitude towards the brand to a cooler and modern one by associating it to events that are hip and appreciated by young adults. |
| Threats | How to overcome the threats? |
| <ul style="list-style-type: none"> • Increase of raw materials' cost. • Current economic crisis leading to reduced purchasing power: increase of VAT, unemployment and electricity costs. • Recent growth of Kalise through new distributors. • Gelados Nestlé brand forgotten due to lack of investment. | <ul style="list-style-type: none"> • Delineate a strong strategy to better cover the young adults' segment. • Give differentiated POS incentives in order to assure loyalty. • Create integrated communications campaigns that involve the customers. (eg. Contests on Facebook) |

3. Strategic Triangle

3.1. Segmentation

The following segmentation was based on the market research that was conducted¹⁶. An analysis of the results showed that among the three social-demographic variables (age, gender and education), only age proved to produce statistically significant different segments¹⁷. Consequently, the impulse ice cream market can be divided into three age segments (Figure 1): **Young Adults**, **Adults** and **Elderly**. Below a brief description of each segment can be found.

¹⁶ Online survey with 666 respondents. The survey template can be found in Appendix 3; Booklet 2.

¹⁷ Chi-square analysis can be found in Appendix 4, Section XI; Booklet 2.

- Young Adults – This type of consumers are aged between 18 and 34 years old and are the age group that appreciates ice cream the most. The young adults show a high level of appreciation regarding ice cream: 66.1% are heavy appreciators, 31.5% are medium appreciators and only 2.4% are light appreciators¹⁸. In short, the majority of young adults highly appreciate the qualities and benefits that are inherent to this type of product. In what concerns ice cream consumption, 62.5% defined themselves as medium consumers, which means that young adults occasionally buy ice cream. On the other hand, 27.9% of young adults are heavy consumers by frequently purchasing this type of product. At last, the survey shows that only 9.5% of young adults are light consumers and do not have the habit of buying ice cream¹⁹.
- Adults – In this group of consumers the age ranges from 35 to 54 years old. In what concerns ice cream appreciation, the adults segment is mainly characterized by a majority of heavy appreciators (54.1%) and 42.2% of medium appreciators. In fact, only 3.7% of adults defined themselves as light appreciators²⁰. As for ice cream consumption, the adults are the ones that show a higher consumption rate of ice cream. In other words, 32.6% of adults are heavy consumers, whereas 51.1% are medium consumers. In addition, 16.3% of adults are light consumers which mean that this segment is the one that is more likely to rarely buy an ice cream²¹.
- Elderly – This group of consumers are the ones that are aged 55 years old or older. Concerning ice cream appreciation, the Chi-square analysis implies that the elderly are the ones who appreciate less this type of product, by having only 47.9% of heavy appreciators. On the other hand, the elderly registered 7% of light appreciators, meaning that this age group is the one in which the presence of light

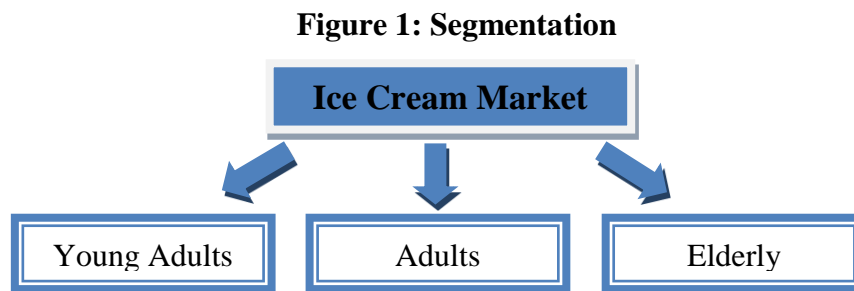
¹⁸ Appendix 4, Section XI; Booklet 2

¹⁹ Appendix 4, Section XI; Booklet 2

²⁰ Appendix 4, Section XI; Booklet 2

²¹ Appendix 4, Section XI; Booklet 2

appreciators is higher²². In what regards ice cream consumption, the majority (67.6%) of elderly are medium consumers, which means that most of the people with age higher than 55 years old buy ice cream on a sporadic basis. Furthermore, this segment registered the lowest percentage of heavy consumers (21.1%). Lastly, 11.3% of the elderly people are characterized as light consumers²³.



3.2. Targeting

Once segmentation is elaborated it is crucial to evaluate each one of the segments based on its attractiveness and fit for Gelados Nestlé's vision (Wood, 2008). The criteria used to elaborate this evaluation are based on the market research that was conducted through the online survey. With this evaluation it is possible to rank all the segments and subsequently select which are the priority segments to target²⁴. A brief description of the selected criteria and the overall score of each segment is displayed on Table 2. The importance of each criterion was established through the use of weights that were validated with Gelados Nestlé's sales supervisors. In what concerns ice cream appreciation, it was understood that this criterion has a 30% weight. This criterion evaluates the segments likability regarding ice cream, which is important in order to establish the consumers' attitude towards the product. Moreover, the ice cream consumption is the key criterion for this project because it measures the levels of

²² Appendix 4, Section XI; Booklet 2

²³ Appendix 4, Section XI; Booklet 2

²⁴ The evaluation criteria scores of each segment is based on the findings resulted from a Chi-square analysis that can be found on Appendix 4, Section XI; Booklet 2.

consumption of each one of the segments. The higher the levels, the more attractive a segment will be. As a result, this criterion accounts for 45% of the total weight. Furthermore, the segments' recognition of Gelados Nestlé's brand has a weight of 15%. This criterion is important because the more people recognize the brand, the higher the propensity towards consumption. Lastly, the segments' recognition of Gelados Nestlé's products is considerably less important, accounting 10% of the total weight. The more the segment is aware of the products' features and attributes, the more likely it is to purchase them. In overall, the segments' with higher levels of ice cream consumption and appreciation are the most attractive ones.

Table 2: Evaluation criteria and ranking for segment attractiveness

| Evaluation Criteria | Weights | Segments | | |
|--|---------|--------------|--------|---------|
| | | Young Adults | Adults | Elderly |
| Ice cream appreciation | 30% | 5 | 4 | 3 |
| Ice cream consumption | 45% | 4 | 4 | 3 |
| Recognition of Gelados Nestlé's brand | 15% | 5 | 4 | 4 |
| Recognition of Gelados Nestlé's products | 10% | 4 | 3 | 2 |
| Overall Score | 100% | 4,45 | 3,9 | 3,05 |

Scoring key: 5 = highly attractive / 4 = moderately attractive / 3 = average / 2 = moderately unattractive / 1 = highly unattractive

From Table 2 it is possible to conclude that the young adults' segment is the most attractive one. Therefore, the **ideal customer** of Gelados Nestlé is a young adult with high levels of appreciation and consumption of ice cream, who recognizes Gelados Nestlé's brand as well as Gelados Nestlé's products. According to the *INE* (Instituto Nacional de Estadística) the young adult's target is estimated to be approximately 18.6% of the population.

3.3. Market Strategy



The market strategy for this project should be a single-segment concentration by focusing on the most attractive segment due to its characteristics and fit regarding the market. Therefore, a **concentrated marketing strategy** seems to be the best choice

because it will target only one segment – young adults. (Wood, 2008) This type of strategy is useful to companies with limited resources because it helps to focus on a more efficient target.

3.4. Positioning

According to Tybout and Sternthal (2010), brand positioning refers to the specific, intended meaning of the brand in the mind of targeted customers. In order to successfully position a brand it is crucial to understand what customers value. Therefore, it was computed a comparison table between competitors as a tool to analyze what customers value in this business. The results were based on the market research that was conducted and are presented in Table 3.

Table 3 – Gelados Nestlé and Olá's positioning

| Client's Evaluation Criteria |  |  |
|------------------------------|--|---|
| Quality | ++ | + |
| Flavor | ++ | ++ |
| Price | - | - |
| Sophistication | + | + |
| Pleasant | ++ | ++ |
| Likability | +++ | ++ |
| Attractiveness | ++ | + |
| Modernity | + | + |

Scoring Key: (+++): major strength; (++): big strength; (+): strength; (-): weakness; (- -): big weakness; (- - -): major weakness

Regarding to the positioning factors, it is possible to state that **flavor**²⁵ is the most important for the customers. Since it is an impulse purchase product, it is key to deliver a satisfactory flavor that would convey a sense of immediate pleasure. Concerning the choice of an impulse ice cream, people usually choose the ones that in their opinion have the better taste. The second positioning factor that people value the most is **price**,

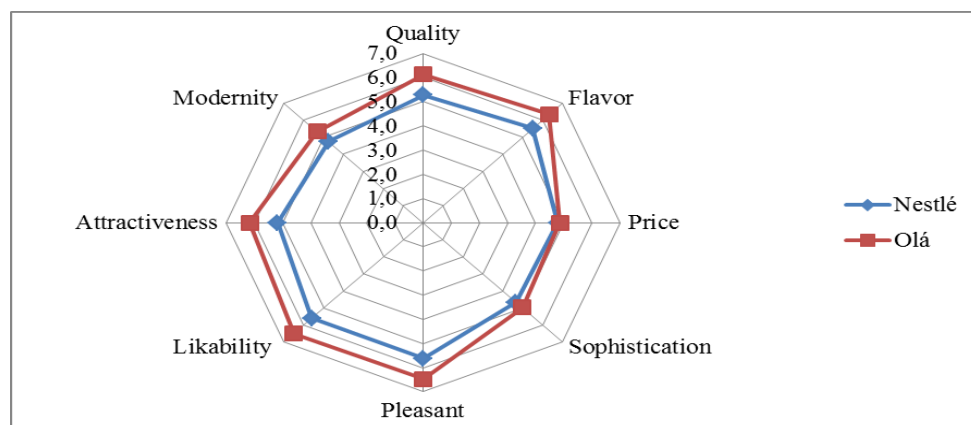
²⁵“Why Does a Consumer Buy an Ice Cream?” 2008. October <http://www.studymode.com/essays/Why-Does-Consumer-Buy-Ice-Cream-168825.html>

according to a study made in consumer trends²⁶. Consumers have a concern regarding the price of ice cream products. Besides these two major factors, consumers also value the *quality* of the product and its *likability* and *attractiveness*, as well as its *sophistication* and *modernity*. However, sophistication is the least valued by the consumers because impulse ice cream products are seen as simple and unpretentious instead of premium products.

➤ Positioning Statement and Desirable Positioning

Through the analysis of chart 1 it is possible to affirm that Gelados Nestlé is relatively well positioned comparing to its fierce competitor Olá. The principal strengths of Gelados Nestlé are flavor, price, likability and pleasant²⁷. Despite the difference being small, consumers perceived Nestlé's ice cream as cheaper than Olá's. In a market in which these two factors (flavor and price) are the ones that are more valued by consumers, this represents a major strength. On the other hand, Gelados Nestlé is perceived by the consumers as being a brand with inferior quality, not very attractive, modern or sophisticated. Therefore, Gelados Nestlé should elaborate a strategy aimed to improve its brand image in order to change the consumers' perception to a more positive way and be recognized as a quality and modern brand.

Figure 2 - Nestlé and Olá's positioning



²⁶ Food Manufacturing. 2012. "Consumer Trends: We All Scream For Ice Cream" October, 9 <http://www.foodmanufacturing.com/news/2012/09/consumer-trends-we-all-scream-ice-cream>

²⁷ Appendix 1; Booklet 2.

The **positioning statement** of Gelados Nestlé should be (Kotler & Keller, 2006): To young adults that desire instant pleasure (target group and need), Gelados Nestlé (brand) is an ice cream company (concept) that offers ice creams that are extremely flavored and more affordable than the competition. (point of difference)

4. Marketing Mix

With the positioning well-defined within the Portuguese impulse ice cream market, the following phase is about delineating the marketing mix.

4.1. Product



Gelados Nestlé has a wide impulse offer that is designed to satisfy all the segments' needs. In others words, Gelados Nestlé's variety aims to the overall population by creating different products for different segments. It is possible to state that Gelados Nestlé are designed to satisfy the kids segments by offering the Pirulo, Smarties, Fantasmikos, Hello Kitty and Nesquik. For the young adults the ice creams that are created to reach this target are the Maxibon, Extreme and KitKat. At last, Nestlé Gold and Bombons Amêndoas are specifically designed for adults and elderly. Since the chosen target is the young adults, it seems reasonable to focus on the main products that registered a higher percentage of selection and evaluation from the young adults' respondents²⁸. The four Nestlé's products that showed a higher percentage of selection were Maxibon with 54%, KitKat with 16.4%, Smarties with 11.2% and Extreme with 6.00%²⁹, which means that Maxibon is the most chosen ice cream by the target segment. In addition, it is important to mention that Maxibon, Smarties and Extreme registered a percentage of selection and evaluation higher in young adults than in the other segments, while KitKat percentage of selection was lower in young adults compared to

²⁸ Appendix 4; Sections VII and VIII; Booklet 2.

²⁹ Appendix 4; Sections XI; Booklet 2.

the other segments. Therefore, KitKat should not be considered to communicate to young adults once it was mostly selected by adults and elderly. Moreover, the existing targeting of Smarties is children, thus this ice cream should not be used to communicate to young adults. In what regards attributes' evaluation, the Nestlé's ice creams that scored the most were Maxibon, Nestlé Gold, Kit Kat and Fantasmikos³⁰. However, the number of people that evaluated Nestlé Gold and Fantasmikos is very small³¹ compared to the ones that assessed Maxibon and Kit Kat. Therefore, the evaluations of Nestlé Gold and Fantasmikos may be biased and should not be considered as accurate³². Last but not least, the existing targeting of each ice cream is different: both Nestlé Gold and Fantasmikos are not designed for the young adults segment³³. For all these reasons, the products that should be used to reach the young adults segment are **Maxibon** and **Extreme**. In what regards competition, it is reasonable to state that Maxibon's competitor is Magnum Sandwich and Extreme's competitor is Cornetto due to physical resemblances. In fact, both the shape and the key ingredients of these products are very similar. Therefore a table was computed to evaluate both products' (Maxibon and Extreme) needs, features and benefits (Wood, 2008).

Table 4 – Needs features and benefits of Maxibon and Extreme

| Product | Needs | Features | Benefits |
|---|---|---|---|
|  | Instant pleasure and self-gratification | Milk, chocolate, cream, cookie and roasted hazelnuts. | Happiness, joy, pleasure and emotional satisfaction |
|  | Instant pleasure and self-gratification | Wafer, strawberry or vanilla, chocolate. | Happiness, joy, pleasure and emotional satisfaction |

³⁰ For further detail on the evaluation of Nestlé's ice creams consult Appendix 4; Section VIII; Booklet 2.

³¹ Number of evaluated respondents – Fantasmikos: 22; Nestlé Gold: 32; KitKat: 91; Maxibon: 276 out of 530.

³² In addition, it is possible that people who evaluated Nestlé Gold may have been misleading due to the resemblance with Magnum. Furthermore, Nestlé Gold has Magnum as its direct competitor which is targeted to women. The Chi-square analysis to test the influence of gender on product recall showed that women registered a higher percentage (82.3%) than men (74.7%) in what regards Magnum.

³³ Nestlé Gold is targeted to adults and elderly, while Fantasmikos is targeted to children.

From Table 4 it is possible to conclude that both Maxibon and Extreme respond to the need of self-gratification by offering a product with key ingredients that gives the sense of pleasure, happiness and emotional satisfaction. The key ingredients of each product are the differentiation factor in this business. Usually, in this line of products consumers look for an emotional benefit (pleasure) that will fulfill the need of self-gratification. According to Kotler & Keller (2006) there are five product levels. In this type of products the core benefit, basic product, expected product and augmented product are similar across all impulse ice creams³⁴ and the differentiation factor is the **potential product**. For both ice creams, future product's augmentations and transformations can be undertaken such as the social benefit of coolness or the implementation of additional flavors to the products in order to better satisfy consumers and distinguish from competitors. Transforming the ice creams into cool products could be done through marketing activities that would develop this specific benefit of the products, such as sponsorships of summer music festivals³⁵. Moreover, consumer insights about the most desired flavors would be helpful to understand which augmentations in terms of additional flavors could be undertaken.

4.2. Price



As it was aforementioned price is one of the factors that consumers value the most in impulse ice creams. According to Table 1, consumers perceive Gelados Nestlé as cheaper than Olá. This is a key factor that enables the brand to differentiate from its main competitor. Therefore, for the pricing strategy Gelados Nestlé should adopt a **penetration strategy** (Wood, 2008). This strategy seems to be the one that fits best the business' overall goals and objectives. Firstly, this pricing strategy is aligned with one of Gelados Nestlé's main objective which is to increase sales. Secondly, it can be stated



³⁴ Further detail on product levels can be found in Appendix 5; Booklet 2.

³⁵ According to the online survey, young adults evaluated music festivals' coolness on 6.23 out of 7 as it possible to verify on Appendix 7; Section IV; Booklet 2.

that there is not a great differentiation among competitors' products in the market, whether in terms of quality or flavor. Moreover, Gelados Nestlé faces severe competition from the biggest player in the market – Olá. Lastly, these types of ice creams are considered as impulse purchase products, which make consumers to be slightly price sensitive. In fact, when consumers buy these type of products the main goal is to have a small treat that delivers instant self-gratification, therefore price plays a significant role in the purchase decision. For all these reasons, it seems that the best pricing strategy should be penetration strategy in order to incite consumers to experiment Gelados Nestlé. Furthermore, it is important to refer that Gelados Nestlé is not allowed to fix the prices that the POS will charge due to government laws regarding open market. Therefore, companies usually use the RRP (Recommended Retail Price) which indicates the price that companies recommend the POS to sell the products with the objective of standardize the prices across different POS. Although it is not mandatory to use the RRP, the market shows that in most cases the POS charges the RRP as their selling price. Since the RRP is mostly used by the POS it is possible to generalize the price differences between Gelados Nestlé and Olá's products for the young adults segment and therefore, the following table was computed.

Table 5 – Gelados Nestlé and Olá's RRP

| Brand | Nestlé | Olá |
|------------------|---|---|
| Product |  |  |
| Price | 1,50 € | 1,50 € |
| Price per 100 ml | 1,00 € | 1,07 € |

| Brand | Nestlé | Olá |
|------------------|---|---|
| Product |  |  |
| Price | 1,00 € | 1,30 € |
| Price per 100 ml | 0,77 € | 1,04 € |

In order to properly compare the prices of both ice creams and its competitors it is important to measure their price per milliliter. Maxibon is composed by 150 ml while Magnum Sandwich only has 140 ml. Therefore, the price per milliliter of Maxibon is

inferior that its competitor. On the other hand, Extreme is constituted by 130 ml whereas Cornetto only has 125 ml, which means that Extreme is cheaper than Cornetto not only in absolute terms but also in price per milliliter. From Table 5 it is possible to conclude that the penetration strategy regarding the key products for young adults - Maxibon and Extreme - is already in place.

4.3. Distribution

According to Kotler & Keller (2006) a marketing channel system is the particular set of marketing channels employed by a firm. Most companies do not sell directly to its final customers and one of the main motives to the use of intermediaries is the lack of financial resources to perform direct selling. For that reason, Gelados Nestlé's current distribution model follows a two-level channel that comprises distributors and POS, as it is represented above in figure 3.

Figure 3 – Current Distribution Model



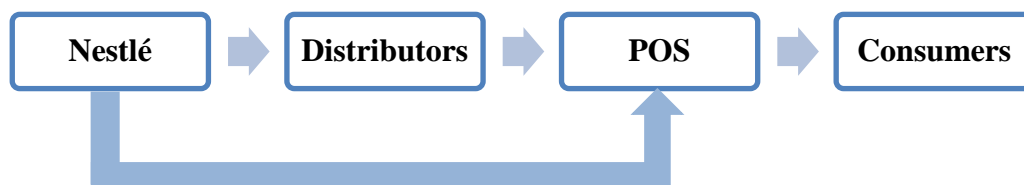
Through this two-level channel distribution model, Gelados Nestlé built a network of distributors³⁶ that sell the products to the POS across the country³⁷. The main advantage of this model is that Gelados Nestlé does not have the financial responsibility to directly deliver the products to the POS. This is a major factor that usually defines the distribution model because selling directly to the POS involves additional financial requirements that may not be sustainable with the company's business model and structure. Since Gelados Nestlé's structure is not able to sustain the financial and infrastructure requirements of a one-level channel distribution, the most realistic strategy was to build a strong network of distributors. However, selling through

³⁶ The distributors have an exclusive contract that disables them to sell other ice cream brands.

³⁷ The distributors' network is composed by 12 distributors that are responsible for different country areas.

distributors presents one main disadvantage which is the reduced control and monitoring over the POS and consequently, a more distant relationship with the consumers. Therefore, although the use of a direct selling channel to the POS would probably facilitate the market penetration of the company, it is not sustainable to have direct selling all over the country. Nevertheless, there could be the possibility of adding a one-level channel for a particular location that should be evaluated. Thus, Gelados Nestlé could consider the possibility of creating an internal direct selling team that would focus on specific areas in order to have more control over POS that are placed on strategic areas. This one-level channel would be strategically favorable in terms of gaining market share because the internal selling team would have the opportunity of choosing which the priority locations are and its respective POS. Figure 4 illustrates the proposed distribution model.

Figure 4 – Proposed Distribution Model



The idea is to use both two-level and one-level channels in the distribution model. In fact, the distributors' network would remain the same with the exception of one specific location that would be Gelados Nestlé's responsibility. For strategic reasons, the first chosen location could be Lisbon because of population and POS's concentration. The main goal is to capture additional POS with this direct selling team, in order to increase market penetration. This change in the distribution model would present incremental costs directly related to the acquisition of new POS that are summarized on Table 6.

Table 6 – Incremental costs

| | Cost per unit |
|---------------|---------------|
| Freezers | 251,04 € |
| POS Materials | 40 € |

Note: POS Materials cost is a pack that includes an impulse board, a respective tripod and a litter bin.

It is imperative to mention that the POS materials' pack is just a basic pack that includes the essential materials. However, there are additional materials that can be placed in specific POS such as parasols and esplanades' sets (composed by tables and chairs). In addition to these direct costs, there are other indirect costs that should be taken into account such as the selling team's wages, office rent, POS materials' warehouse and sellers' cars.

It is important to note that this investment in a new distribution model should not be carried out based only on this marketing plan. Since it is a different approach to the market, Gelados Nestlé should thoroughly analyze the pros and cons of changing its distribution model. However, it seems important to present alternatives that may lead to an increase of market penetration.

4.4. Marketing Communications

In order to promote Gelados Nestlé in the market, an integrated marketing communications must be designed (Kotler & Keller, 2006). The marketing communications strategy will be a **pull strategy** because one of the main goals is to increase awareness among the final consumers. Firstly, it is important to define the communication objectives, the target audience and the integrated marketing communication tools that will be used.

➤ Communication objectives:

1 - Increase both brand and product (Maxibon) awareness among the target audience.

The objective is to increase brand recall to 75% and Maxibon recall to 50%³⁸.

2 - Change Gelados Nestlé's brand image towards a more fun and cool attitude.

According to the second online survey, Gelados Nestlé' is currently seen as a conservative, uncool and quite boring brand³⁹. The objective is to reach a level of 5.25

out of 7 in coolness, 5.10 in fun and 4.00 in irreverence. Furthermore, the survey showed that even though almost 50% of the young adults' respondents were not able to

recall any Nestlé's ice cream, the most recalled product was Maxibon (30.1%)⁴⁰. As far

as product recognition, Maxibon was ranked in 1st place with a remarkable 83.5%

recognition⁴¹. In addition, Maxibon is already being communicated in Spain as a cool

and irreverent product by having David Villa (Spanish football player) as the

ambassador of the brand⁴². Consequently, in order to reach the goal of changing the

brand's image towards a more cool and modern one, the strategy should be focusing on

Maxibon.

By attaining these two objectives, Gelados Nestlé will increase the consumers' interest

regarding the brand. Therefore, the overall goal is to increase sales by 2.5 % in three

years⁴³.

➤ Target Audience

The target audience will be the primary target defined in the targeting section – young

adults. With the purpose of attaining the first two communication objectives, the target

audience should be focused on this specific and explicit target. Secondly, despite of

³⁸ Current brand recall registered 64.5% and Maxibon registered 30.1%.

³⁹ Target's appraisal of Gelados Nestlé's image revealed a 3,51 out of 7 in coolness, 3,76 out of 7 in fun and 3,36 in irreverence. N= 86. Further detail on Gelados Nestlé's evaluation can be consulted on Appendix 7; Section III; Booklet 2.

⁴⁰ Appendix 4; Sections XI; Booklet 2.

⁴¹ Appendix 4; Sections XI; Booklet 2.

⁴² Maxibon Spanish's website: <https://www.maxibon-zone.es/index.aspx>

⁴³ The 2.5% growth was discussed and validated by Gelados Nestlé, that considered this number reachable.

the greater importance of the primary target it is important that the target audience would also include the POS in order to support reaching the overall market share goal.

➤ IMC tools

For the promotion strategy, Gelados Nestlé will use four different integrated marketing communications tools: **Sales Promotion, Advertising, Internet Communications and Events and Experiences**. In order to attain the first objective, which is increasing both brand and product (Maxibon) awareness among the target audience, the selected tools are Advertising, Sales Promotion and Internet Communications. As for the second objective, which is changing Gelados Nestlé's brand image towards a more modern and cool attitude, the key communication tools are Events and Experiences, Internet Communications and Sales Promotion.

Sales promotion will be used for two different purposes. Firstly, Gelados Nestlé will create a kick-off campaign for the POS in which it will offer gifts according to a pre-established amount of ice cream purchase. However, this campaign will have a maximum number of offers. The total investment estimated for this initiative is €50.000. In short, this campaign will be useful to boost initial sales and to incentive POS in the ice cream selling process. Furthermore, two major online contests will be separately created on Facebook with the purpose of offering an all-inclusive trip to Palma de Maiorca for 4 friends during 7 nights on a four-star hotel and a motorized Vespa⁴⁴. According to the second online survey, the probability of participating in contests with these prizes is 66%⁴⁵. The idea is to create an engagement with the brand by the target market and associate Gelados Nestlé with the concepts of fun, cool and modernity. Also, it will generate page traffic that will end up creating buzz and awareness among

⁴⁴ The online survey showed that 36% of young adults' first preferred choice was a trip to Palma de Maiorca, and 33,7% of the target chosen the motorized Vespa as their first preferred choice. Further detail on young adults' preferences can be consulted on Appendix 7; Section V; Booklet 2.

⁴⁵ Appendix 7; Section V; Booklet 2.

Facebook users. The objective is to have one contest in the summer with the trip to Palma de Maiorca and one contest around Christmas with the motorized Vespa.

Through a simulation on *NetViagens* website⁴⁶, it is possible to estimate the cost of the summer trip in € 4.228. Lastly, according to Vespa's official Portuguese website, the cost of a LX 50 4t is € 2.980⁴⁷.

Advertising is one of the most efficient tools to increase awareness. The promotion strategy will be based on three media: TV ads, print ads and POS materials. Firstly, a 30" TV ad will be produced in order to reach a wider audience. The channels considered to fit best the target market are *Sic Radical* and *Fox*⁴⁸. TV advertising is the most effective tool in terms of creating awareness and reaching the desirable audience. According to a communication agency the production of the TV ads will cost around €75.000. The cost of airing a 30" TV ad two times per day (9 pm and 10 pm) on Prime Time⁴⁹ on *Fox* during two months (including weekends) is €54.498,88⁵⁰. In addition, the cost of airing a 30" TV ad two times per day (9 pm and 10 pm) on Prime Time on *Sic Radical* during two months (including weekends) is €7.055,36⁵¹. Thus, the overall budget for TV advertising will be €136.554,24. The logic behind the choice of the ads airing is associated with the fact that this target is not usually at home for most of the day. Whether working or studying, this target generally only watches TV after dinner.

Furthermore, a print ad will be designed and placed in a magazine that is related to young adults, which is *Time Out*. The second online survey showed that 45.6% of young adults read this magazine on a regular basis⁵². This is a magazine that focuses on

⁴⁶ NetViagens website: <http://www.netviagens.com/ferias/>

⁴⁷ Vespa's official Portuguese website: http://www.vespa.pt/pt_PT/index.html

⁴⁸ According to the website www.ligateamedia.pt, 49.5% of Fox viewers are aged between 15-34 years old. 46.1% of Sic Radical viewers are aged between 15-34 years old.

⁴⁹ Prime Time is from 8 pm to 11.59 pm..

⁵⁰ Source: <http://www.ligateamedia.pt>

⁵¹ Source: <http://www.ligateamedia.pt>

⁵² In addition, 45.6% of young adults read the newspaper Público. However this newspaper was not chosen due to budget constraints. Further detail on young adults' reading interests can be consulted on Appendix 7; Section VI; Booklet 2.

trendy and new events, restaurants, bars, movies and music. By using this type of advertising, the brand will be placed in a specific magazine that is usually bought by young adults interested in contemporary and trendy novelties. For the design production of the print ad the cost will be €620. The investment needed to place a full page print ad on *Time Out* during three months will be €33.000. Therefore, the total cost for print advertising will be around €33.620. Lastly, Gelados Nestlé will use POS materials such as impulse boards, trash bins, parasols and esplanades' sets (including tables and chairs) not only to increase visibility on the POS but also as an incentive to acquire and retain POS. This is a very important factor because it gives a great visibility to the brand and is greatly valued by the POS. Therefore, the overall budget estimated for this communication tool is €300.000.

Internet Communications

Gelados Nestlé is already communicating its brand through a corporate website and Facebook. Using internet communication is a great way to build a closer relationship with the final consumers. Currently in Portugal there are 4.795.480 Facebook Monthly Active Users which can be translated into a 44.92% penetration.⁵³ According to *SocialBakers'* website the largest age group is currently 25-34 with total of 1.224.460 users, followed by the users at the age of 18-24. In others words, the age group that is more active on Facebook is the young adults. Given the target audience, it seems appropriate to further explore this communication channel. Therefore, Gelados Nestlé should use Facebook ads to create awareness near its target audience and have an average CPCs (cost per click) of €0.18 or CPMs (cost per thousand impressions) of €0.02⁵⁴. Besides, Facebook ads also allow to specifically targeting users in the 18-35 years old range. In short, Facebook ads allow several segmentation factors such as age,

⁵³ <http://www.socialbakers.com/facebook-statistics/portugal>

⁵⁴ <http://www.socialbakers.com/facebook-advertising/page-2/>

gender and education that enables the brand to reach the desirable target market. According to Facebook the number of people aged between 18-34 years old who live in Portugal and registered on this social network is 2.886.120. For the maintenance of the current Facebook page a digital agency will charge €7.500 per year. Regarding the website, the costs of performing updates are usually around €4.320 per year. Other modifications that would include design work or programming will have an additional cost. Thus, the creation of both online contests on Facebook will have an additional cost of €2.000. Besides, the creation of the Facebook ad will have a cost of €50 by being an adaptation of the print ad. In order to have the Facebook ad displayed for three months, the budget will be €15.000, using the CPM (this method seems to be the one that fits best the goal of creating awareness). In addition, Gelados Nestlé can explore the Youtube pre-roll ads.⁵⁵ Similar to the Facebook characteristics, Youtube also allows to segment through different variables in order to reach the preferable target market. These pre-roll ads are a great tool to engage viewers and have a CPCs/CPVs (cost per click, view) averaging about €0.04 each.⁵⁶ For the production of the Youtube video ad the cost will be around €300 by using the TV ad and adapting it to the Youtube. In order to have the Youtube ad displayed for two months, the budget will be €25.000. Lastly, an estimated budget of €31.000 will be considered to execute regular basic contests and promoted posts on the Facebook page as well as other interactive online media tools in order to constantly engage the consumers with the brand.

Events and experiences

The primary target audience – young adults – is very fond of music summer festivals. According to the second online survey, young adults think that music festivals are cool,

⁵⁵ Youtube pre-roll ads are classic TV-like format ads that are displayed as an ad break before or during YouTube partner videos.

⁵⁶ Source: <http://searchenginewatch.com/article/2169740/YouTube-Advertising-Options-for-Budgets-of-All-Sizes>

trendy, fun and an experience to do with their friends⁵⁷. Being present in music festivals is a very effective way to establish a closer relationship with the consumers. Moreover, linking the brand with events that are targeted to young adults and convey a modern and cool atmosphere will help Gelados Nestlé to change its brand image to a more hip, fresh and trendy one. Therefore, Gelados Nestlé will sponsor a set of music festivals that comprises “Sumol Summer Fest”, “Super Bock Super Rock” and “Meo Sudoeste”⁵⁸. According to “Música no Coração” the sponsorship of these music festivals will involve an investment of € 52.000. An additional investment regarding the logistical costs (vendors, transportation, among others) should be estimated around €15.000. Moreover, Gelados Nestlé will launch online contests in which the prize will be tickets for those music festivals. According to the findings on the survey, 64% of young adults chose the music festivals’ tickets in first place of preference⁵⁹. In addition, the probability of participating in a contest with this exact prize is 58%⁶⁰.

5. Implementation Plan

5.1. Man

In this section it will be defined the staff required for the implementation plan. For the first three years, ice cream Nestlé will need one marketing director, one trade marketing manager, five sales’ supervisors, one brand manager, one brand manager’s assistant and one administrative assistant. The entire required staff is already part of the current Gelados Nestlé’s team.

⁵⁷ Target’s appraisal of music festivals’ image revealed a 6.23 out of 7 in coolness, 5.90 out of 7 in being an event to be experienced with friends, 6.26 out of 7 in trendiness and 6.07 out of 7 in fun. Further detail on Gelados Nestlé’s evaluation can be consulted on Appendix 7; Section IV; Booklet 2.

⁵⁸ All these music festivals are targeted to young adults.

⁵⁹ Further detail on young adults’ music preferences can be consulted on Appendix 7; Section V; Booklet 2.

⁶⁰ Appendix 7; Section V; Booklet 2.

Marketing director: this person is responsible for planning, directing, coordinating and implementing the company's marketing strategies and communications. The marketing director reports directly to Nestlé's executive director in Portugal.

Trade marketing manager: is accountable for the designing of the promotion materials and supervising of all promotional activities. This person develops a trade marketing strategy that should be aligned with the sales objectives. Therefore, it is important to establish a close relationship with the sales team.

Sales' supervisors: are a team constituted by five people that is divided into country's regions: Lisbon, Oporto, Algarve, Madeira and Azores. It is important that each sale's supervisor maintains a close relationship with the distributors of each region in order to better understand what their needs are. This team is responsible for assisting and motivating its distributors as well as handling issues that are related with distributors' product orders and other benefits. Besides, the sales' supervisors observes and evaluates the distributors' overall performance in order to achieve the sales objectives.

Brand manager: this person is responsible for analyzing the market and consumer trends, managing advertising and marketing activities, monitoring business goals (awareness, market share and penetration), analyzing the competition and growing the brand to reach the overall business objectives. The brand manager should work closely to the sales' supervisors in order to obtain relevant information about the market.

Brand manager's assistant: gives support to the development and implementation of the primary responsibilities of the brand manager as well as managing secondary activities.

Administrative assistant: this person supports the entire team in all the issues that are related to administrative tasks.

5.2. Minute

The marketing planning activities' schedule is summarized on Table 7. The marketing activities were programed based on the overall objectives of increasing awareness and sales, as well as changing Gelados Nestlé's image towards a more modern and cooler one. It is important to note that a few activities should have been previously done in order to establish an effective implementation (eg: development of POS materials such as the impulse board).

Table 7 – Schedule of Activities

| Activities | 2013 | | | | | | | | | | | |
|--------------------------------|------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| | Jan | Fev | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec |
| Kick-off campaign | | | | | | | | | | | | |
| Online contest - Summer Trip | | | | | | | | | | | | |
| Online contest - Vespa | | | | | | | | | | | | |
| TV ads | | | | | | | | | | | | |
| Print ads | | | | | | | | | | | | |
| POS materials | | | | | | | | | | | | |
| Website and Facebook | | | | | | | | | | | | |
| Facebook ads | | | | | | | | | | | | |
| Youtube Pre-Roll | | | | | | | | | | | | |
| Sponsorship of Music Festivals | | | | | | | | | | | | |

5.3. Money

In order to establish a budget for Gelados Nestlé a sales' forecast was computed for the next three years based on the predictions about the increase of revenues generated by the marketing activities. The sales' forecast includes revenues both from old and new POS. Therefore, it was assumed that in the first year the sales will increase 0.5%, followed by a 0.75% increase on the second years and a 1.25% increase on the third year. Despite the market is decreasing, it is expected that the company will be able to increase its sales through the investment made in marketing activities that will generate awareness and boost sales. Moreover, the sales' forecast refers to the impulse segment.

Gelados Nestlé already uses a **percentage-of-sales budgeting** method that is, budgeting against a set percentage of sales (Wood, 2008). Therefore, according to the company's established percentages the promotion budget will be 16.8% of the net sales. The costs that were taken into account are the following: general price reductions, allowances and discounts, variable expenses, promotion costs and fixed overheads expenses. Due to confidentiality issues, Gelados Nestlé would prefer to not specify details of each one of the P&L's accounts. However it is possible to mention that *other promotions related expenses* refers to several aspects that are related to marketing activities such as the artwork associated to the design creation of impulse boards, among others. In short, through Table 8 it is possible to conclude that the company will increase its EBIT over the three years.

Table 8 – P&L

| | '000 EUR | | |
|-----------------------------------|----------|----------|----------|
| | 2014 | 2015 | 2016 |
| Gross Proceeds of Sales | 7.097,91 | 7.630,25 | 9.537,82 |
| General Price Reductions | 2.101,47 | 2.259,08 | 2.823,85 |
| Net Proceeds of Sales | 4.996,44 | 5.371,17 | 6.713,97 |
| Allowances and Discounts | 795,99 | 855,69 | 1.069,61 |
| Net Net Sales | 4.200,45 | 4.515,49 | 5.644,36 |
| Total Variable Expenses | 1.795,87 | 1.930,56 | 2.413,20 |
| Marginal Contribution | 2.404,58 | 2.584,93 | 3.231,16 |
| Sales Promotion | 57,21 | 61,50 | 76,88 |
| Advertising | 470,17 | 505,43 | 631,79 |
| Internet Communications | 85,17 | 91,56 | 114,45 |
| Events and Experiences | 67,00 | 72,03 | 90,03 |
| Other promotions related expenses | 157,70 | 169,53 | 211,91 |
| Promotion Costs | 837,25 | 900,04 | 1.125,05 |
| Product Contribution | 1.567,33 | 1.684,88 | 2.106,11 |
| Total Fixed Overheads Expenses | 1.457,52 | 1.486,68 | 1.531,28 |
| EBIT | 109,81 | 198,21 | 574,83 |

6. References

- Gelados Nestlé. 2013. <http://www.geladosnestle.com.pt/> (accessed multiple times from February to May)
- Grupo Marktest. 2007. “Consumo de gelados no lar duplica em cinco anos”
<http://www.marktest.com/wap/a/n/id~f6f.aspx>
- Instituto Nacional de Estatística. 2013. <http://www.ine.pt> (accessed in April)
- Kotler, P., & Keller, K. L. (2006). *Marketing Management*. 12th Edition. Pearson Prentice Hall.
- Liga-te à Media. 2013 <http://www.ligateamedia.pt/> (accessed in April and May)
- Nestlé website. 2013. <http://www.nestle.com> (accessed multiple times from February to May)
- Nestlé Portugal. 2013. "Brochura Corporativa"
<http://www.empresa.nestle.pt/Media/Documents/BrochuraCorporativa2013.pdf>
- Nestlé Portugal website. 2013. <http://www.empresa.nestle.pt/> (accessed multiple times from February to May)
- Social Bakers. 2013. <http://www.socialbakers.com/> (accessed in April and May)
- Tybout, A. M., & Sternthal, B. (2010). *Kellog on Marketing*. 2nd Edition. John Wiley & Sons, Inc.
- Wood, M. B. (2008). *The Marketing Plan Handbook*. 3rd Edition. Pearson Prentice Hall.

A Work Project, presented as part of the requirements for the Award of a Masters Degree in
Management from the NOVA – School of Business and Economics.

A Marketing Strategy for *Gelados Nestlé* based on the Young Adults

Booklet 2

Helena Maria Saraiva de Refóios Braz da Silva

#1068

A Project carried out on the Gelados Nestlé Internship, under the supervision of

Prof. Luisa Agante

June 2013

This thesis is CONFIDENTIAL and therefore its content cannot be accessed by anyone except the thesis' jury and cannot be read or distributed without the consent of Nestlé Portugal.

Index

| | |
|---|----|
| Appendix 1 – Analysis of brands’ attributes means equality | 4 |
| Appendix 2 – SWOT Analysis | 4 |
| Appendix 3 – Online Questionnaire | 7 |
| Appendix 4 – Analysis of the online questionnaire..... | 10 |
| Appendix 5 – Maxibon and Extreme Product Levels..... | 22 |
| Appendix 6 – Online Questionnaire focused on Young Adults | 22 |
| Appendix 7 – Analysis of the Questionnaire focused on Young Adults..... | 25 |

Appendix 1 – Analysis of brands' attributes means equality

| t-test for Equality of Means | |
|------------------------------|--------------------|
| Attribute | Significance level |
| Qualidade | ,000 |
| Sabor | ,000 |
| Preço | ,390 |
| Sofisticação | ,000 |
| Agradável | ,000 |
| Gosto | ,000 |
| Apelativo | ,000 |
| Moderno | ,000 |
| Recomendo | ,000 |
| Compraria | ,000 |

| t-test for Equality of Means | | |
|------------------------------|--------|------|
| Attribute | Brand | Mean |
| Qualidade | Olá | 6,12 |
| | Nestlé | 5,28 |
| Sabor | Olá | 6,33 |
| | Nestlé | 5,52 |
| Preço | Olá | 4,86 |
| | Nestlé | 4,79 |
| Sofisticação | Olá | 4,98 |
| | Nestlé | 4,68 |
| Agradável | Olá | 6,48 |
| | Nestlé | 5,63 |
| Gosto | Olá | 6,51 |
| | Nestlé | 5,59 |
| Apelativo | Olá | 6,16 |
| | Nestlé | 5,19 |
| Moderno | Olá | 5,33 |
| | Nestlé | 4,75 |
| Recomendo | Olá | 6,40 |
| | Nestlé | 5,31 |
| Compraria | Olá | 6,46 |
| | Nestlé | 5,29 |

Appendix 2 – SWOT Analysis

Strengths

Nestlé is a worldwide renowned company that has high quality standards, therefore all of Nestlé's brands greatly benefit from that built reputation¹. One of the main strengths has been the constant betting on star brands such as KitKat, Smarties, Nesquik and Maxibon in order to leverage its brand and incite consumption. Moreover, Gelados Nestlé has a wide range of high quality and flavored ice creams that can serve as the differentiation factor in the market. Lastly, Nestlé Portugal belongs to Nestlé Iberia, in which Helados Nestlé is the market leader in Spain. Therefore, Gelados Nestlé can explore some best practices of Helados Nestlé in order to take advantage of the experience and knowledge from such a successful business. For example, Gelados

¹ One of the ten corporate principles of Nestlé is the guarantee of product quality and safety.

Nestlé can explore the communication methods used in Spain to advertise Maxibon and adapt them to the Portuguese market.

Weaknesses

One of the major weaknesses of Gelados Nestlé is the fact of many customers not being aware of the names of Nestlé's ice cream products². As a brand Gelados Nestlé is recognized, but as for the products it seems that they are unknown to the public³. Besides, Gelados Nestlé faces a severe competition by Olá that leads the market with a market share of 89.5%, while Gelados Nestlé is only able to capture 9.7% of the market (in value). Furthermore, Gelados Nestlé is not present in public events, such as music festivals, and therefore it is not taking full advantage of the awareness this type of events can bring to the brands. Also, a major weakness of Gelados Nestlé is the almost nonexistence communication of the brand whether on television, radio or cinema which make it very difficult to get consumers involved with the brand. In what concerns distribution, it seems that the current distribution' network is inadequate to the need of business growing. The investment is low and it is difficult to keep the current POS and at the same time capture new ones, especially when it is not a direct task of Gelados Nestlé.

Opportunities

Gelados Nestlé can explore alternative and cheaper TV cable channels to advertise to specific target markets. In particular, Gelados Nestlé should use Sic Radical and Fox, in which the main audience is young adults, to reach the young adults and thus, increase awareness. Furthermore, Gelados Nestlé should consider using the online media in

² According to the online survey, 53.1% of the respondents were not able to recall any Nestlé's ice cream.

³ Nestlé registered 59.4% of brand recall and 90.9% of brand recognition on the online survey.

order to establish a closer relationship with the consumers. For example, the business can create online contests through Facebook in order to engage the consumers with the brand. Moreover, exploring alternative and considerably cheap ways of advertising online, such as Facebook ads and Youtube pre-rolls, represents a major opportunity because through this type of media it is possible to focus on the target market and reach a more specific segment. At last, Gelados Nestlé should explore the possibility of establishing a presence in music festivals that are seen as cool and trendy, with the purpose of changing the attitude towards the brand to a cooler and modern one.

Threats

Firstly, there are a group of factors that can be a threat to the ice cream business, such as the increase of the raw materials' cost, electricity costs and unemployment. All these factors lead to a reduced purchasing power and thus, can seriously harm the business because they can be translated into an overall decrease of ice cream consumption. Furthermore, the 3rd competitor – Kalise – has been growing through new distributors, which can be a threat to Gelados Nestlé if it would translate in losing POS. Lastly, one major threat is the possibility of Gelados Nestlé brand be forgotten due to lack of investment in communicate through marketing campaigns.



ESTUDO SOBRE AVALIAÇÃO DE GELADOS

Obrigada por participar neste estudo.

Este estudo faz parte de uma tese de Mestrado desenvolvida para a NOVA School of Business and Economics. O estudo pretende investigar a avaliação dos consumidores relativamente a gelados.

Participação

A sua participação é fundamental para o desenvolvimento deste estudo. O tempo de preenchimento é de aproximadamente 5-10 minutos.

Confidencialidade

Ao longo deste estudo todas as respostas serão mantidas estritamente confidenciais e anónimas. Aproveitamos para salientar que não existem respostas certas ou erradas para as perguntas que vai encontrar.

Obrigada pela sua contribuição!

☐ Li a informação acima apresentada e desejo participar neste estudo.

Vive em Portugal há mais de 1 ano?

- ☐ Sim
☐ Não

Nacionalidade

Em que cidade vive?

Sexo

- ☐ Masculino
☐ Feminino

Idade

- ☐ 18-24
☐ 25-34
☐ 35-44
☐ 45-54
☐ 55-64
☐ +65

Habilitações literárias

- ☐ 9º ano (3º ciclo ensino básico)
- ☐ 12º ano (ensino secundário)
- ☐ Curso Tecnológico/Profissional
- ☐ Bacharelato
- ☐ Licenciatura
- ☐ Pós-graduação
- ☐ Mestrado
- ☐ Doutoramento
- ☐ Outro

Que marcas de gelado conhece? (Considere marcas de gelado que são vendidas em cafés, bares, quiosques de rua, ou em locais próximos de praias)

Das seguintes marcas, selecione as que conhece.

☐☐☐☐

Que produtos (gelados) da **Nestlé** conhece? (Considere marcas de gelado que são vendidas em cafés, bares, quiosques de rua, ou em locais próximos de praias)

Que produtos (gelados) da **Olá** conhece? (Considere marcas de gelado que são vendidas em cafés, bares, quiosques de rua, ou em locais próximos de praias)

Dos seguintes produtos (gelados) da **Nestlé**, selecione os que conhece.

☐☐☐☐☐☐☐☐

☐ Nenhum

Com base na sua opinião pessoal, escolha 1 produto **Olá** e classifique-o de acordo com as seguintes características.

PRODUTO:

Por favor dê-nos a sua opinião pessoal relativamente ao **PRODUTO**.

Eu acho que este produto é / demonstra,

| | | |
|--------------------|---|--------------------|
| Baixa qualidade | <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> | Elevada qualidade |
| Pouco saboroso | <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> | Muito saboroso |
| Preços baixos | <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> | Preços elevados |
| Pouca sofisticação | <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> | Muita sofisticação |

Por favor indique as impressões com que tem relativamente ao **PRODUTO**.

| | | |
|----------------|---|-----------|
| Nada agradável | <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> | Agradável |
| Não Gosto | <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> | Gosto |
| Nada apelativo | <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> | Apelativo |
| Antiquado | <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> | Moderno |
| Não recomendo | <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> | Recomendo |
| Não compraria | <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> | Compraria |

Com base na sua opinião pessoal, escolha 1 produto **Nestlé** e classifique-o de acordo com as seguintes características.

PRODUTO:

Por favor dê-nos a sua opinião pessoal relativamente ao **PRODUTO**.

Eu acho que este produto é / demonstra,

| | | |
|--------------------|---|--------------------|
| Baixa qualidade | <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> | Elevada qualidade |
| Pouco saboroso | <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> | Muito saboroso |
| Preços baixos | <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> | Preços elevados |
| Pouca sofisticação | <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> | Muita sofisticação |

Por favor indique as impressões com que tem relativamente ao **PRODUTO**,

| | | |
|----------------|---|-----------|
| Nada agradável | <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> | Agradável |
| Não Gosto | <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> | Gosto |
| Nada apelativo | <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> | Apelativo |
| Antiquado | <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> | Moderno |
| Não recomendo | <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> | Recomendo |
| Não compraria | <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> | Compraria |

Quão apreciador é deste tipo de produto? (Considere marcas de gelado que são vendidas em cafés, bares, quiosques de rua, ou em locais próximos de praias)

Nada | ☐ ☐ ☐ ☐ ☐ ☐ ☐ Totalmente

Com que frequência compra/consome este tipo de produto? (Considere marcas de gelado que são vendidas em cafés, bares, quiosques de rua, ou em locais próximos de praias)

Nunca | ☐ ☐ ☐ ☐ ☐ ☐ ☐ Frequentemente

OBRIGADA pela sua participação!

Por favor não discuta a natureza deste estudo com outros(as) participantes pois pode enviesar resultados futuros. Quaisquer questões / comentários relacionados com este estudo deverão ser enviados para studies07@novasbe.pt

PARA FINALIZAR O ESTUDO, POR FAVOR CLIQUE NO BOTÃO ABAIXO.

Appendix 4 – Analysis of the online questionnaire

Please note that this questionnaire presents some limitations as it was done online using social networks as sample, consequently it is important to take into consideration the possibility of existing biases. As a fact, the majority of the respondents is resident in Lisbon and has a high level of education. This survey was sent to 666 individuals, having only 625 finished it.

I – Filter

Q2: Do you live in Portugal for at least one year?

| Filter | | |
|--------|-----------|---------|
| | Frequency | Percent |
| Yes | 639 | 95,9 |
| Not | 27 | 4,1 |
| Total | 666 | 100,0 |

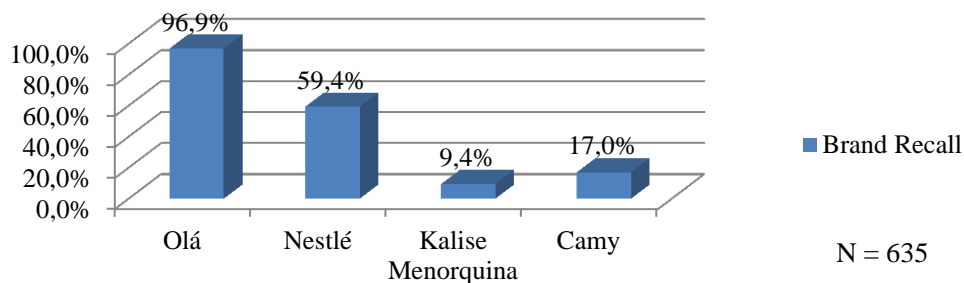
II – Sociodemographics

| Respondents' Profile | | | |
|-----------------------|---------------------------------|-----------|---------|
| Variable | | Frequency | Percent |
| Gender | Female | 408 | 64,1 |
| | Male | 229 | 35,9 |
| Age | 18-34 | 427 | 67,0 |
| | 35-54 | 137 | 21,5 |
| | +55 | 73 | 11,5 |
| Nationality | Portuguesa | 623 | 97,8 |
| | Outra | 14 | 2,2 |
| District of residence | Lisboa | 504 | 75,7 |
| | Porto | 16 | 2,4 |
| | Setúbal | 46 | 6,9 |
| | Outro | 67 | 10,1 |
| Level of education | 9º ano (3º ciclo ensino básico) | 13 | 2,0 |
| | 12º ano (ensino secundário) | 95 | 14,9 |
| | Curso Tecnológico/Profissional | 26 | 4,1 |
| | Bacharelato | 27 | 4,2 |
| | Licenciatura | 264 | 41,4 |
| | Pós-graduação | 47 | 7,4 |
| | Mestrado | 146 | 22,9 |
| | Doutoramento | 11 | 1,7 |
| | Outro | 8 | 1,3 |

N = 637

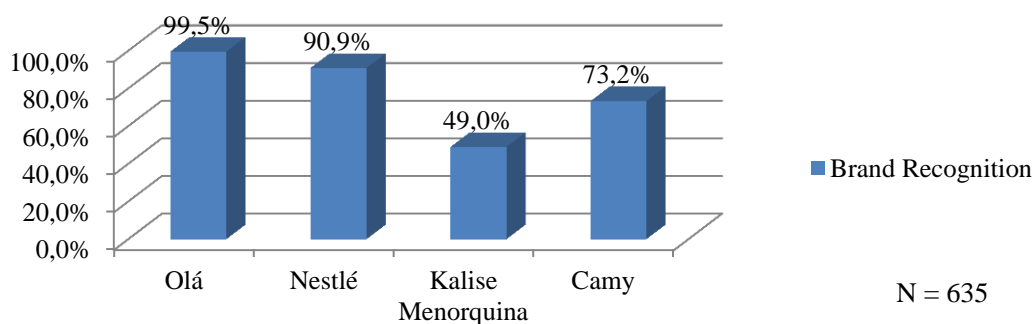
III – Brand Recall

Q8: Which ice cream brands do you know? (Consider ice cream brands that are usually sold in coffees, street kiosks, beach bars and esplanades)



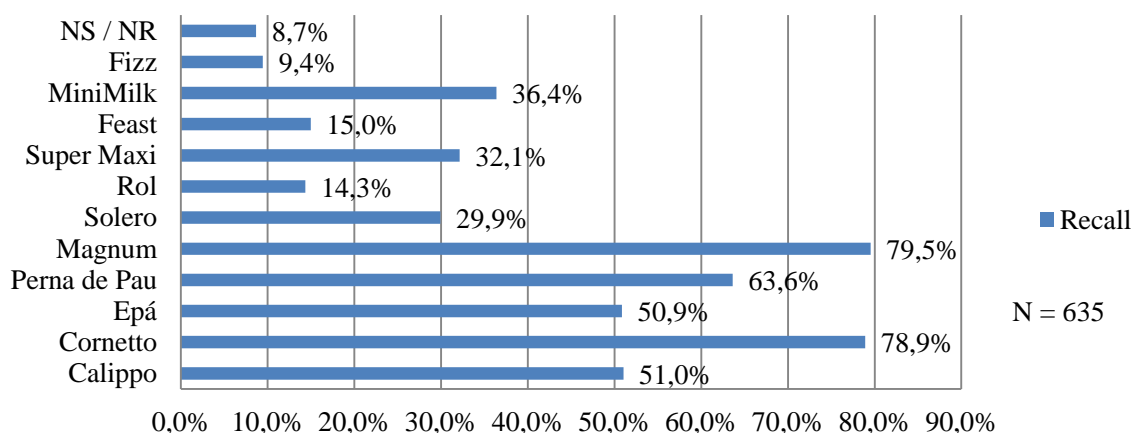
IV - Brand Recognition

Q9: Which ice cream brands do you know? (Consider ice cream brands that are usually sold in coffees, street kiosks, beach bars and esplanades)

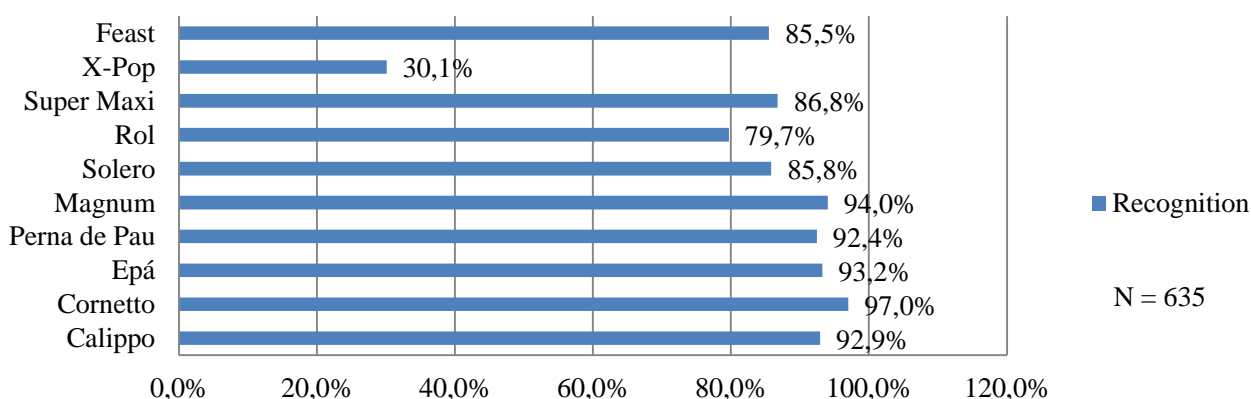


V – Olá's Product Recall and Recognition

Q10: Which Olá's ice cream brands do you know? (Consider ice cream brands that are usually sold in coffees, street kiosks, beach bars and esplanades)

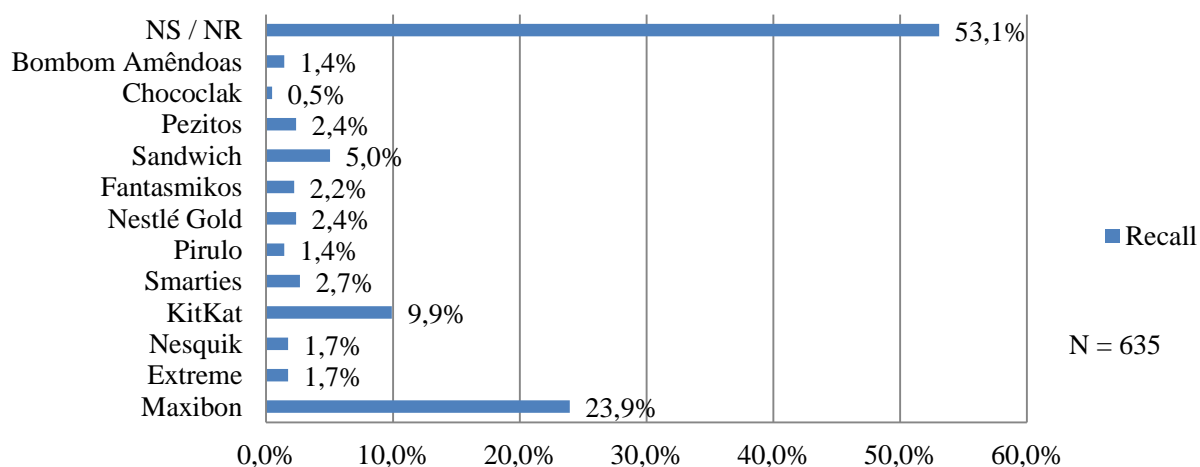


Q12: Which Olá's ice cream brands do you know? (Consider ice cream brands that are usually sold in coffees, street kiosks, beach bars and esplanades)

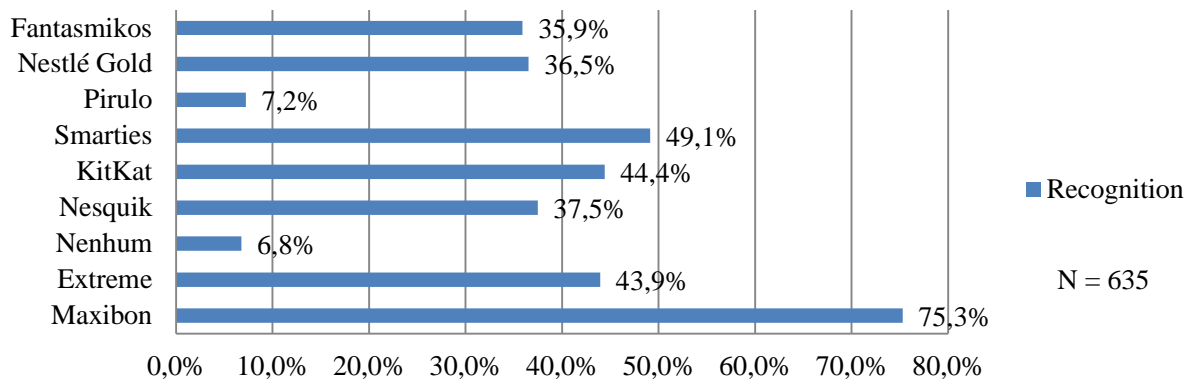


VI – Gelados Nestlé's Product Recall and Recognition

Q11: Which Nestlé's ice cream brands do you know? (Consider ice cream brands that are usually sold in coffees, street kiosks, beach bars and esplanades)

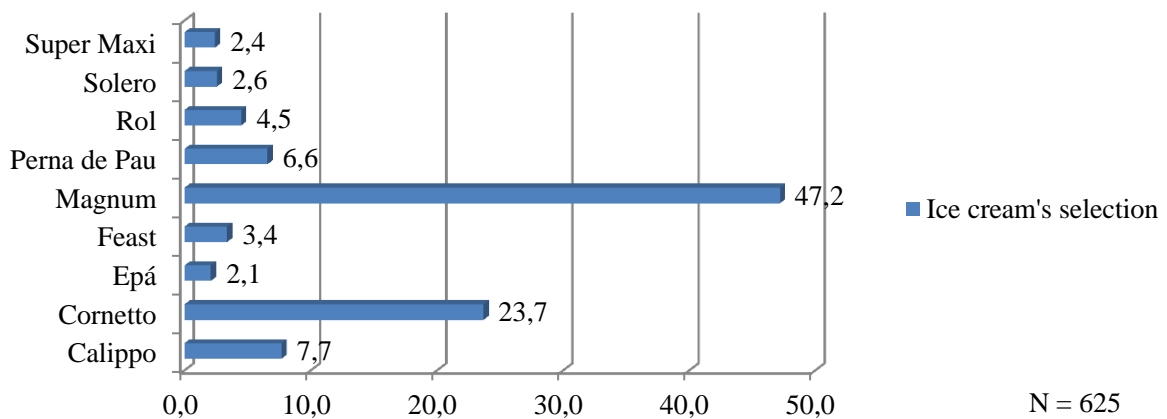


Q13: Which Nestlé's ice cream brands do you know? (Consider ice cream brands that are usually sold in coffees, street kiosks, beach bars and esplanades)

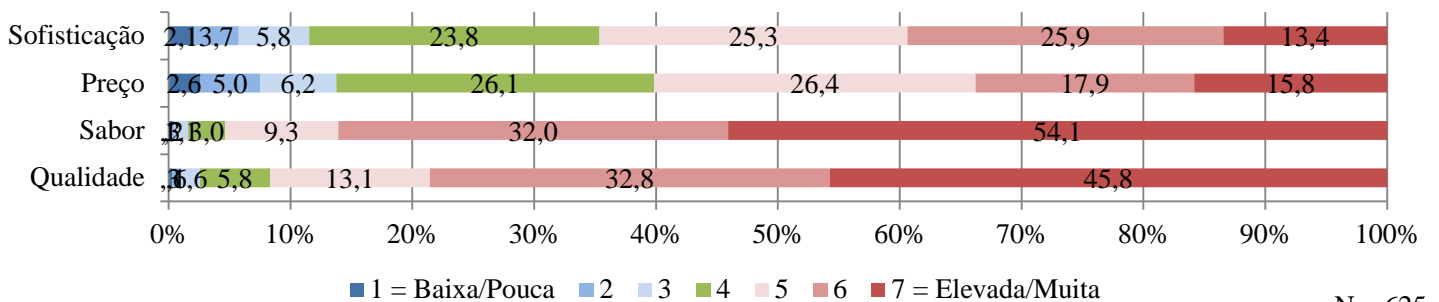


VII - Olá's Attributes

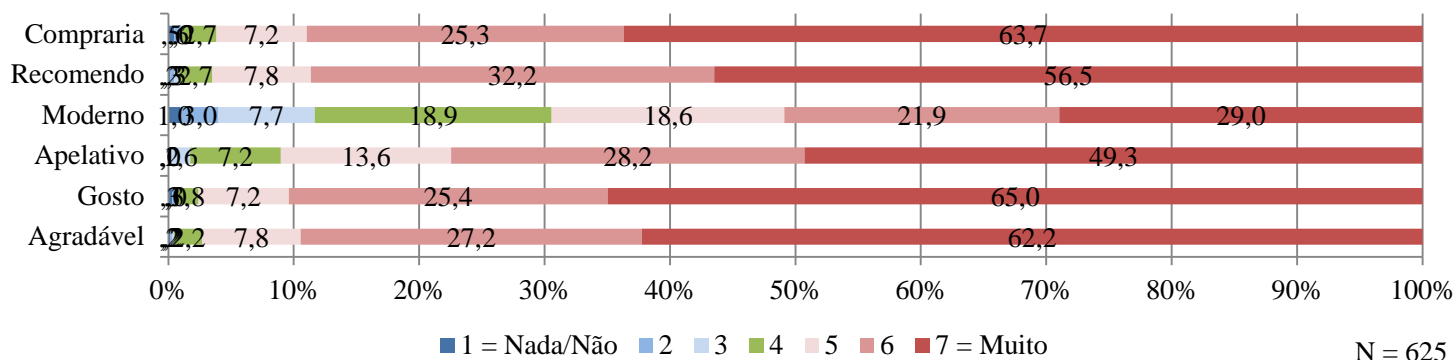
Q15: Based on your personal opinion, choose 1 Olá ice cream and evaluate it regarding the following characteristics.



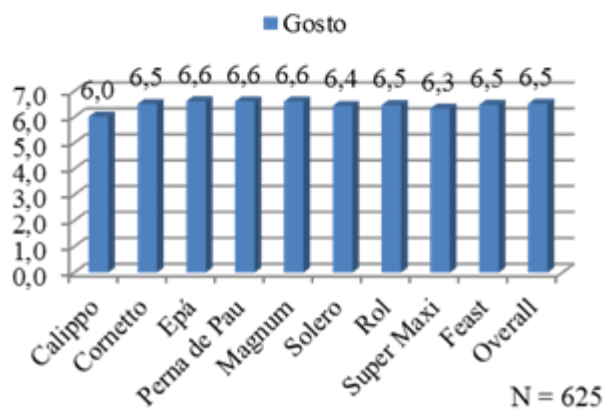
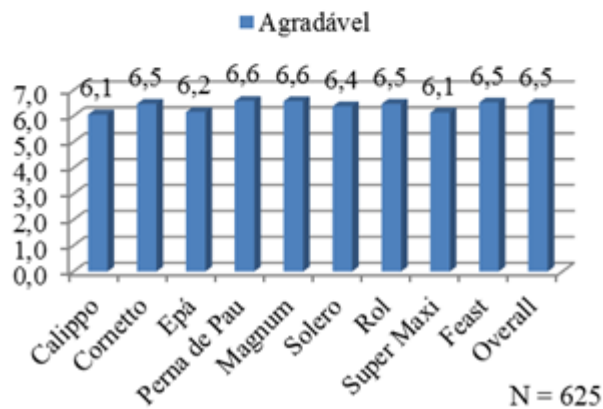
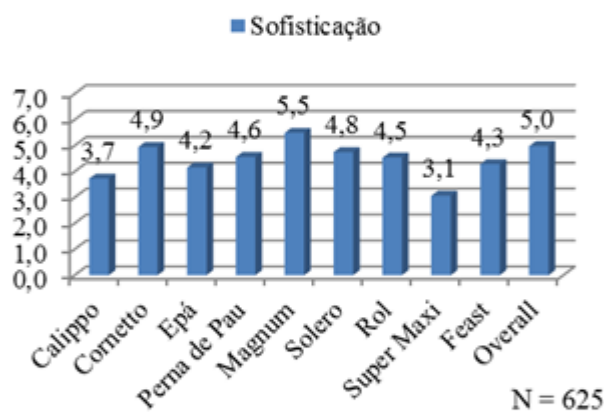
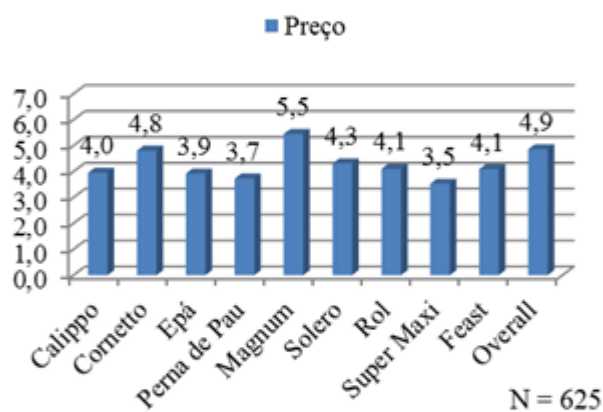
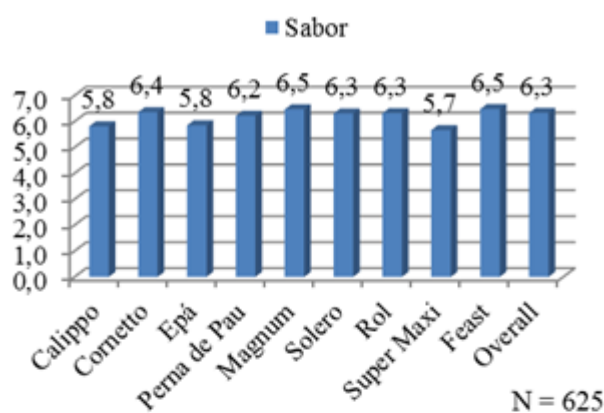
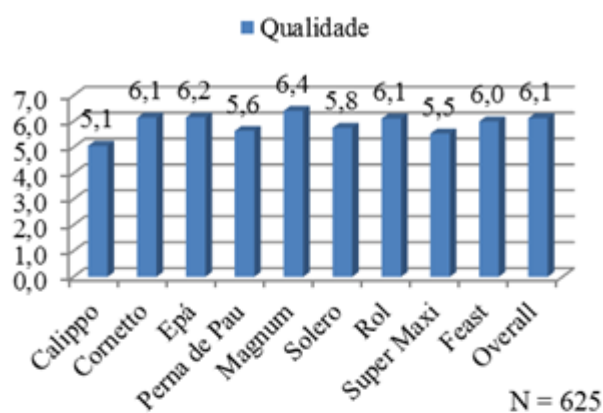
**Q16: Please give your personal opinion regarding the product chosen.
I think this product is/shows,**

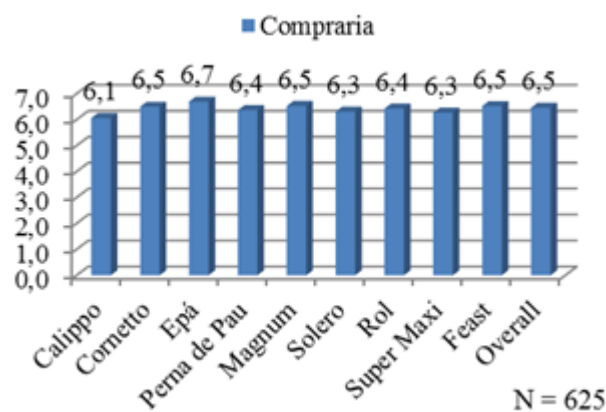
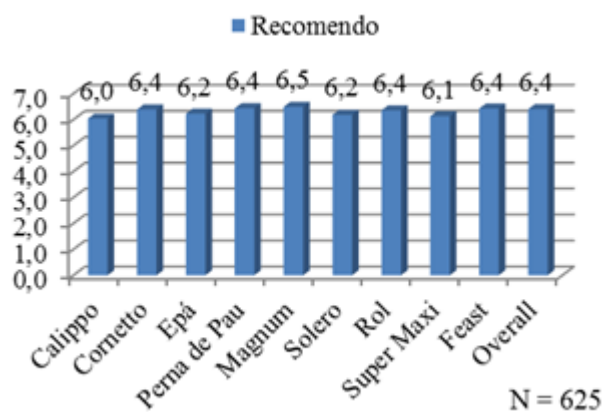
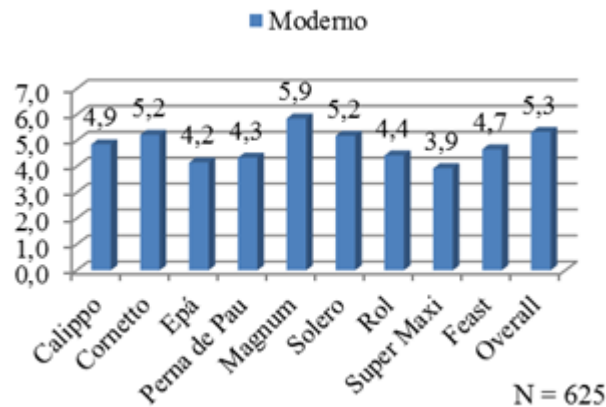
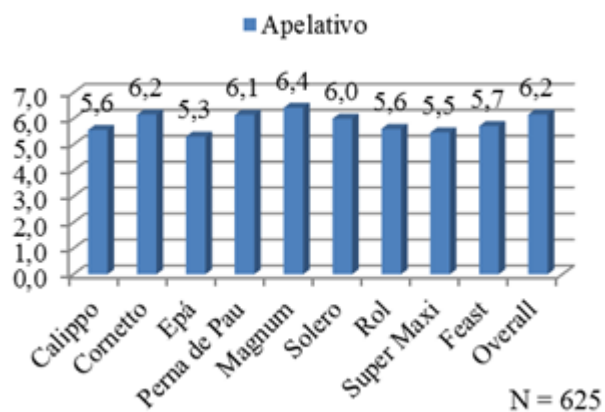


Q17: Please indicate your impressions regarding the chosen product.



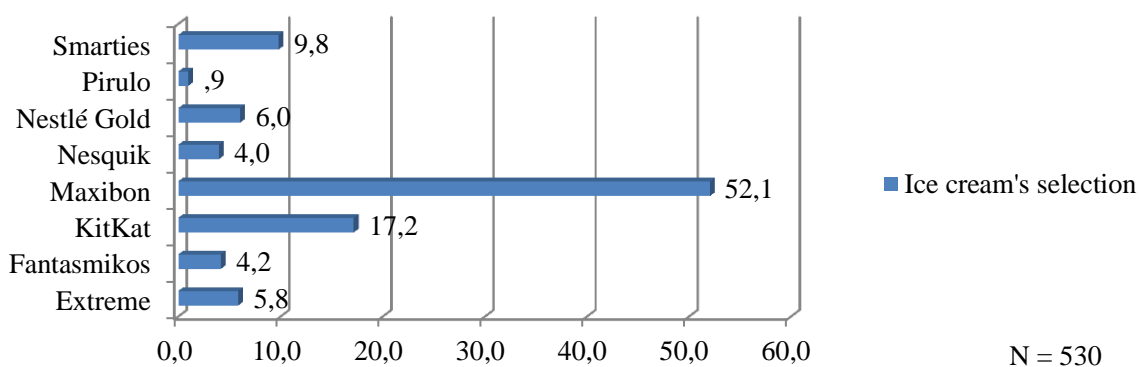
Olá's attributes means (1-7)



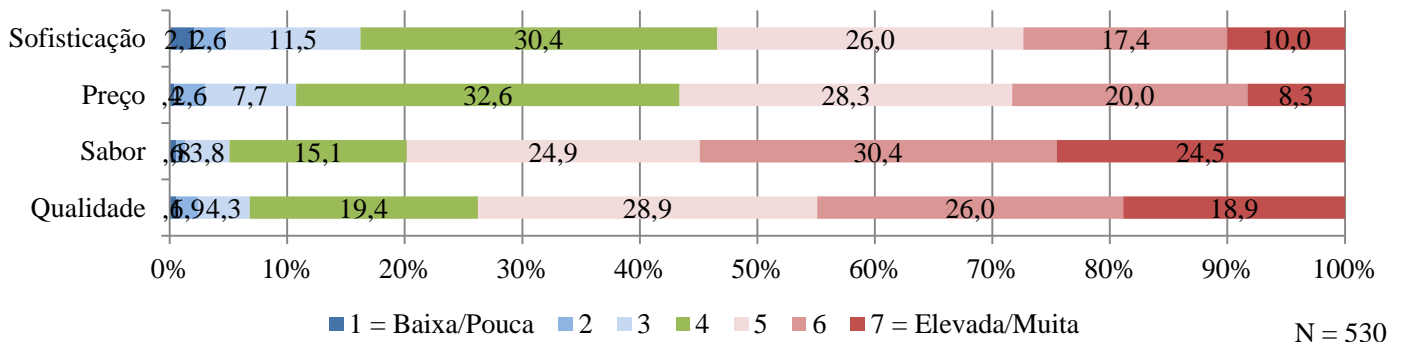


VIII – Gelados Nestlé's Attributes

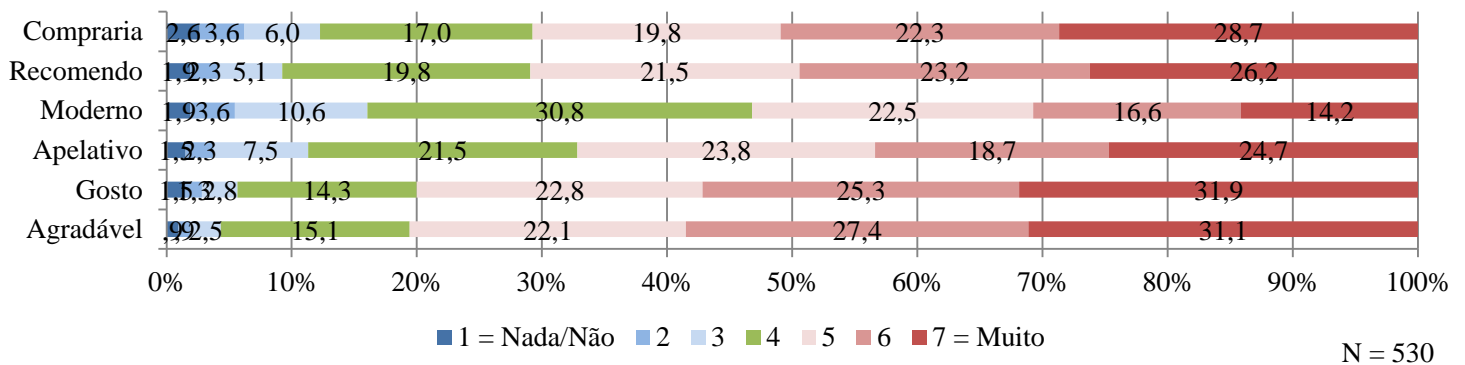
Q19: Based on your personal opinion, choose 1 Nestlé ice cream and evaluate it regarding the following characteristics.



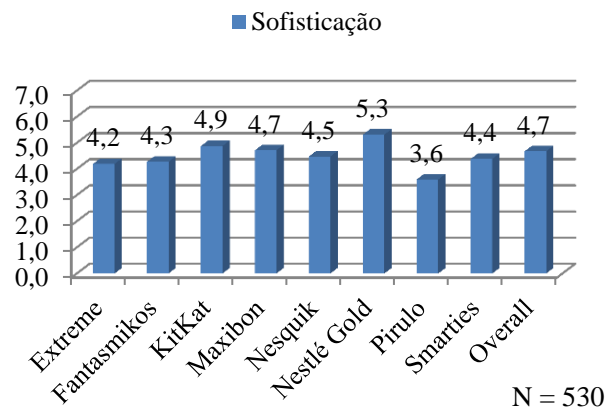
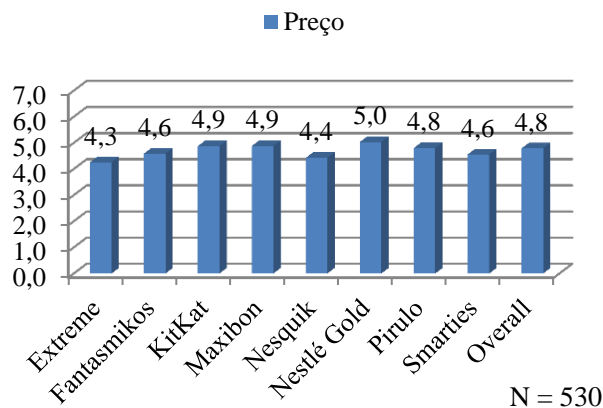
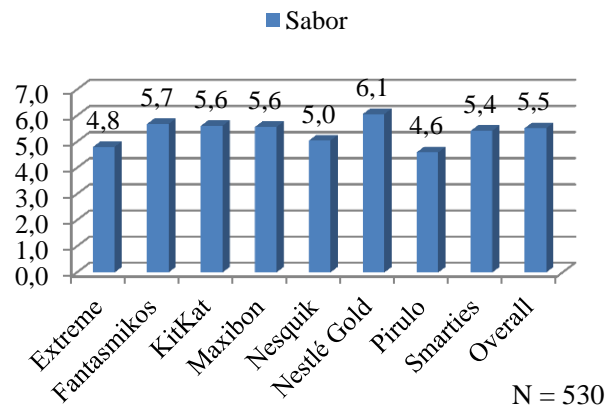
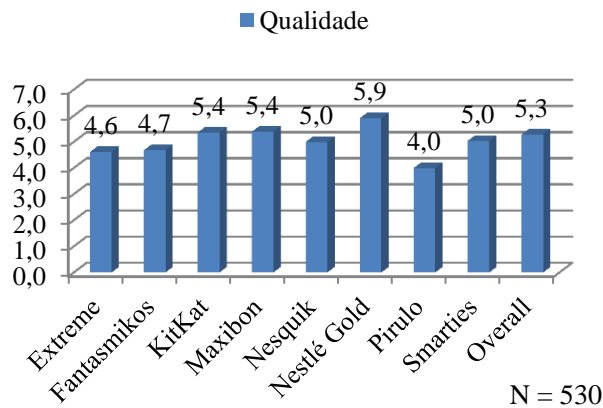
Q20: Please give your personal opinion regarding the product chosen.
I think this product is/shows,

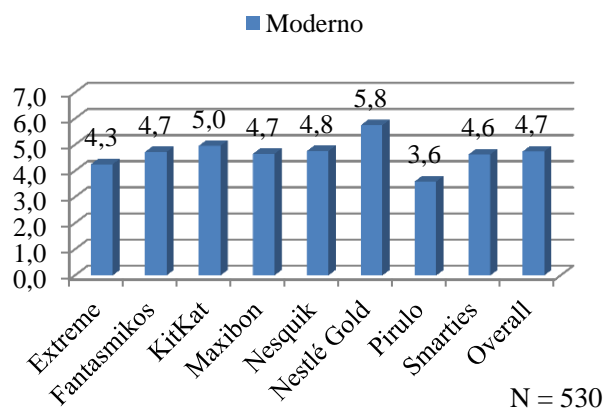
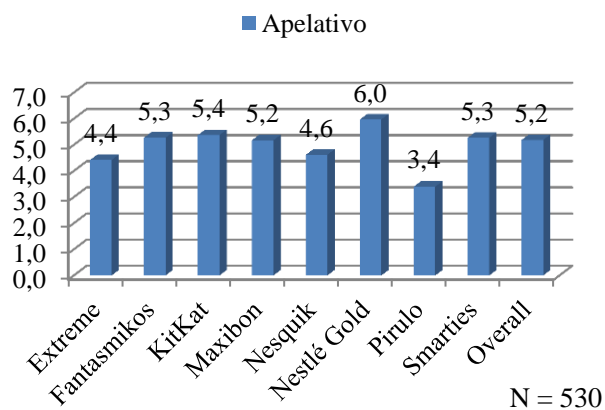
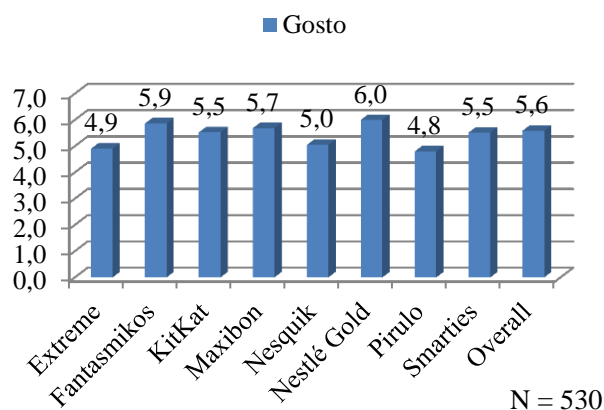
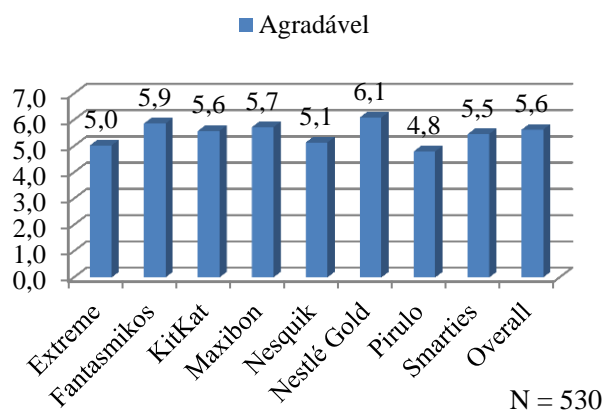
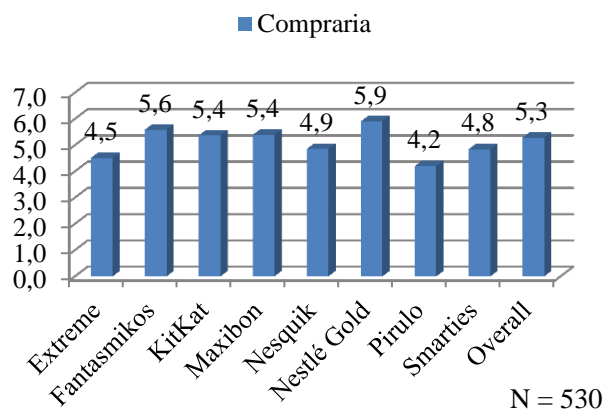
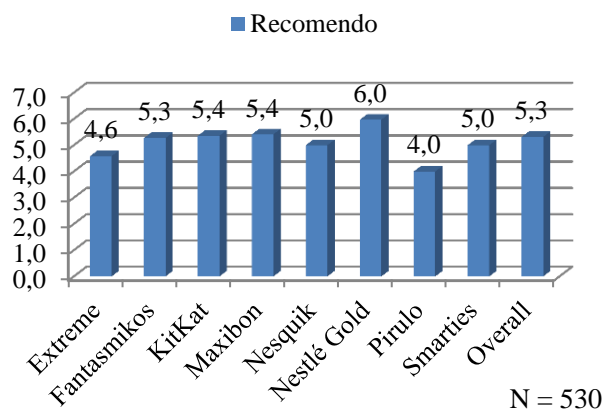


Q21: Please indicate your impressions regarding the chosen product.



Gelados Nestlé's attributes means (1-7)





IX – Ice cream Appreciation

Q22: How much do you appreciate this type of product? (Consider ice creams that are usually sold in coffees, street kiosks, beach bars and esplanades).

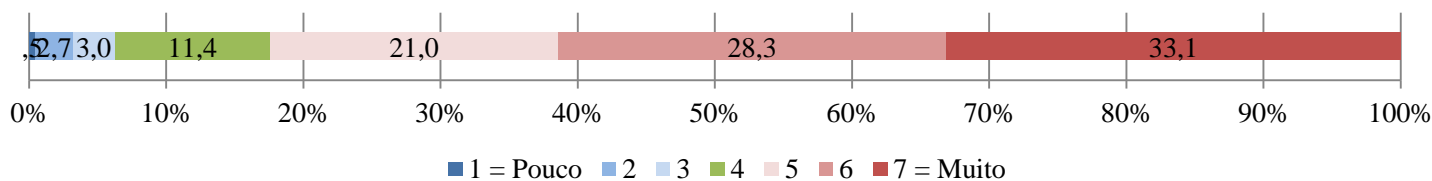


Table 1 – Appreciators' profile

| Ice cream Appreciation | | |
|------------------------|-----------|---------|
| | Frequency | Percent |
| Light Appreciators | 20 | 3,2 |
| Medium Appreciators | 221 | 35,4 |
| Heavy Appreciators | 384 | 61,4 |

X – Ice cream Consumption

Q23: How much do you purchase/consume this type of product? (Consider ice creams that are usually sold in coffees, street kiosks, beach bars and esplanades).

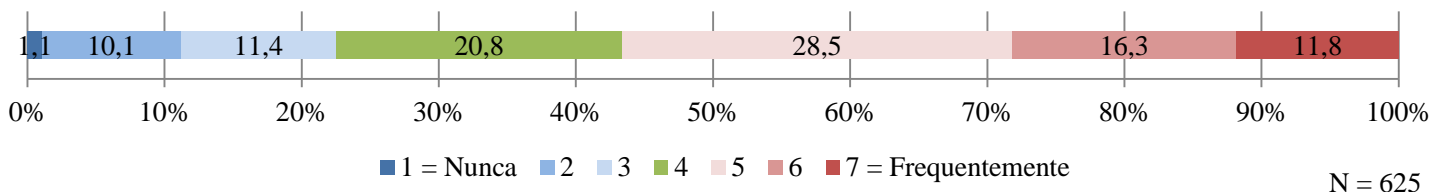


Table 2 – Consumers' profile

| Ice cream Consumption | | |
|-----------------------|-----------|---------|
| | Frequency | Percent |
| Light Consumers | 70 | 11,2 |
| Medium Consumers | 379 | 60,6 |
| Heavy Consumers | 176 | 28,2 |

XI – Chi-square Analysis

1. Gender Impact

| Chi-square analysis to test the influence of gender on brand recall | | Chi-square analysis to test the influence of gender on brand recognition | |
|---|--------------------|--|--------------------|
| Brand | Significance level | Brand | Significance level |
| Olá | 0,023 | Olá | 0,921 |
| Nestlé | 0,132 | Nestlé | 0,376 |
| Kalise Menorquina | 0,505 | Kalise Menorquina | 0,144 |
| Camy | 0,266 | Camy | 0,667 |

| Chi-square analysis to test the influence of gender on brand recall | | |
|---|--------|----------|
| Brand | % Male | % Female |
| Olá | 94,8% | 98,0% |

| Chi-square analysis to test the influence of gender on product recall | | |
|---|-----------------|--------------------|
| Brand | Product | Significance level |
| Olá | Calippo | 0,144 |
| | Cornetto | 0,734 |
| | NS / NR | 0,961 |
| | Epá | 0,936 |
| | Perna de Pau | 0,135 |
| | Magnum | 0,023 |
| | Solero | 0,319 |
| | Rol | 0,108 |
| | Super Maxi | 0,800 |
| | Feast | 0,043 |
| Nestlé | MiniMilk | 0,460 |
| | Fizz | 0,700 |
| | Maxibon | 0,819 |
| | Extreme | 0,532 |
| | NS / NR | 0,930 |
| | Nesquik | 0,532 |
| | KitKat | 0,938 |
| | Smarties | 0,109 |
| | Pirulo | 0,863 |
| | Nestlé Gold | 0,064 |
| | Fantasmikos | 0,555 |
| | Sandwich | 0,561 |
| | Pezitos | 0,387 |
| | Chococlak | 0,101 |
| | Bombom Amêndoas | 0,863 |

| Chi-square analysis to test the influence of gender on product recognition | | |
|--|--------------|--------------------|
| Brand | Product | Significance level |
| Olá | Calippo | 0,804 |
| | Cornetto | 0,297 |
| | Epá | 0,412 |
| | Perna de Pau | 0,143 |
| | Magnum | 0,424 |
| | Solero | 0,547 |
| | Rol | 0,124 |
| | Super Maxi | 0,677 |
| | X-Pop | 0,032 |
| Nestlé | Feast | 0,508 |
| | Maxibon | 0,205 |
| | Extreme | 0,084 |
| | Nenhum | 0,620 |
| | Nesquik | 0,588 |
| | KitKat | 0,435 |
| | Smarties | 0,082 |
| | Pirulo | 0,896 |
| | Nestlé Gold | 0,253 |
| | Fantasmikos | 0,078 |

| Chi-square analysis to test the influence of gender on product recall | | | |
|---|---------|--------|----------|
| Brand | Product | % Male | % Female |
| Olá | Magnum | 74,7% | 82,3% |
| | Feast | 18,8% | 12,8% |

| Chi-square analysis to test the influence of gender on brand recognition | | | |
|--|---------|--------|----------|
| Brand | Product | % Male | % Female |
| Olá | X-Pop | 24,9% | 33,0% |

| Chi-square analysis to test the influence of gender on ice cream appreciation | |
|---|--|
| Significance level | |
| 0,005 | |

| Chi-square analysis to test the influence of gender on ice cream consumption | |
|--|--|
| Significance level | |
| 0,162 | |

| Chi-square analysis to test the influence of gender on ice cream appreciation | | |
|---|--------|----------|
| Appreciators | % Male | % Female |
| Light appreciators (1-2) | 4,4% | 2,5% |
| Medium appreciators (3-5) | 41,3% | 32,0% |
| Heavy appreciators (6-7) | 54,2% | 65,5% |

2. Age Impact

| Chi-square analysis to test the influence of age on brand recall | |
|--|--------------------|
| Brand | Significance level |
| Olá | 0,175 |
| Nestlé | 0,000 |
| Kalise Menorquina | 0,025 |
| Camy | 0,001 |

| Chi-square analysis to test the influence of age on brand recognition | |
|---|--------------------|
| Brand | Significance level |
| Olá | 0,036 |
| Nestlé | 0,000 |
| Kalise Menorquina | 0,000 |
| Camy | 0,005 |

| Chi-square analysis to test the influence of age on brand recall | | | |
|--|-------|-------|-------|
| Brand | 18-34 | 35-54 | +55 |
| Nestlé | 64,5% | 54,7% | 38,4% |
| Kalise Menorquina | 7,5% | 15,3% | 9,6% |
| Camy | 20,7% | 11,7% | 5,5% |

| Chi-square analysis to test the influence of age on brand recognition | | | |
|---|--------|-------|-------|
| Brand | 18-34 | 35-54 | +55 |
| Olá | 100,0% | 98,5% | 98,6% |
| Nestlé | 95,3% | 83,9% | 78,1% |
| Kalise Menorquina | 44,5% | 65,0% | 45,2% |
| Camy | 74,8% | 76,6% | 57,5% |

| Chi-square analysis to test the influence of age on product recall | | |
|--|-----------------|--------------------|
| Brand | Product | Significance level |
| Olá | Calippo | 0,000 |
| | Cornetto | 0,000 |
| | NS / NR | 0,005 |
| | Epá | 0,000 |
| | Perna de Pau | 0,000 |
| | Magnum | 0,000 |
| | Solero | 0,000 |
| | Rol | 0,000 |
| | Super Maxi | 0,066 |
| | Feast | 0,006 |
| | MiniMilk | 0,000 |
| | Fizz | 0,049 |
| Nestlé | Maxibon | 0,000 |
| | Extreme | 0,012 |
| | NS / NR | 0,030 |
| | Nesquik | 0,487 |
| | KitKat | 0,021 |
| | Smarties | 0,051 |
| | Pirulo | 0,198 |
| | Nestlé Gold | 0,629 |
| | Fantasmikos | 0,022 |
| | Sandwich | 0,980 |
| | Pezitos | 0,002 |
| | Chococlak | 0,299 |
| | Bombom Amêndoas | 0,274 |

| Chi-square analysis to test the influence of age on product recall | | | | |
|--|--------------|-------|-------|-------|
| Brand | Product | 18-34 | 35-54 | +55 |
| Olá | Calippo | 65,2% | 25,5% | 16,4% |
| | Cornetto | 85,4% | 71,5% | 54,8% |
| | NS / NR | 6,1% | 13,9% | 13,7% |
| | Epá | 59,8% | 42,3% | 15,1% |
| | Perna de Pau | 68,0% | 62,8% | 39,7% |
| | Magnum | 87,5% | 64,2% | 61,6% |
| | Solero | 40,0% | 9,5% | 9,6% |
| | Rol | 18,4% | 7,3% | 4,1% |
| | Feast | 18,1% | 8,8% | 8,2% |
| | MiniMilk | 47,3% | 20,4% | 2,7% |
| | Fizz | 9,4% | 13,1% | 2,7% |
| Nestlé | Maxibon | 30,1% | 14,6% | 5,5% |
| | Extreme | 2,6% | 0,0% | 0,0% |
| | NS / NR | 49,4% | 61,3% | 58,9% |
| | KitKat | 12,2% | 5,1% | 5,5% |
| | Fantasmikos | 3,1% | 0,0% | 1,4% |
| | Pezitos | 3,5% | 0,0% | 0,0% |

| Chi-square analysis to test the influence of age on product recognition | | |
|---|--------------|--------------------|
| Brand | Product | Significance level |
| Olá | Calippo | 0,000 |
| | Cornetto | 0,000 |
| | Epá | 0,000 |
| | Perna de Pau | 0,000 |
| | Magnum | 0,000 |
| | Solero | 0,000 |
| | Rol | 0,000 |
| | Super Maxi | 0,000 |
| | X-Pop | 0,000 |
| | Feast | 0,000 |
| Nestlé | Maxibon | 0,000 |
| | Extreme | 0,000 |
| | Nenhum | 0,003 |
| | Nesquik | 0,000 |
| | KitKat | 0,000 |
| | Smarties | 0,000 |
| | Pirulo | 0,165 |
| | Nestlé Gold | 0,559 |
| | Fantasmikos | 0,000 |

| Chi-square analysis to test the influence of age on ice cream product selection | |
|---|--------------------|
| Brand | Significance level |
| Olá | 0,000 |
| Nestlé | 0,006 |

| Chi-square analysis to test the influence of age on ice cream appreciation | |
|--|--|
| Significance level | |
| 0,017 | |

| Chi-square analysis to test the influence of age on ice cream appreciation | | | | |
|--|-------|-------|-------|--|
| Appreciators | 18-34 | 35-54 | +55 | |
| Light appreciators (1-2) | 2,4% | 3,7% | 7,0% | |
| Medium appreciators (3-5) | 31,5% | 42,2% | 45,1% | |
| Heavy appreciators (6-7) | 66,1% | 54,1% | 47,9% | |

| Chi-square analysis to test the influence of gender on ice cream consumption | |
|--|--|
| Significance level | |
| 0,012 | |

| Chi-square analysis to test the influence of age on product recognition | | | | |
|---|--------------|-------|-------|-------|
| Brand | Product | 18-34 | 35-54 | +55 |
| Olá | Calippo | 98,1% | 89,8% | 68,5% |
| | Cornetto | 98,8% | 96,4% | 87,7% |
| | Epá | 97,9% | 92,0% | 68,5% |
| | Perna de Pau | 96,0% | 93,4% | 69,9% |
| | Magnum | 96,2% | 92,0% | 84,9% |
| | Solero | 92,9% | 76,6% | 61,6% |
| | Rol | 88,2% | 71,5% | 45,2% |
| | Super Maxi | 93,6% | 77,4% | 64,4% |
| | X-Pop | 35,1% | 23,4% | 13,7% |
| | Feast | 92,9% | 70,8% | 69,9% |
| Nestlé | Maxibon | 83,5% | 63,5% | 49,3% |
| | Extreme | 50,4% | 29,2% | 34,2% |
| | Nenhum | 4,7% | 8,8% | 15,1% |
| | Nesquik | 43,8% | 27,0% | 20,5% |
| | KitKat | 52,5% | 27,0% | 30,1% |
| | Smarties | 60,0% | 33,6% | 15,1% |
| | Fantasmikos | 43,8% | 22,6% | 15,1% |

| Chi-square analysis to test the influence of age on ice cream product selection | | | | |
|---|--------------|-------|-------|-------|
| Brand | Product | 18-34 | 35-54 | +55 |
| Olá | Calippo | 9,8% | 3,7% | 2,8% |
| | Cornetto | 24,5% | 26,1% | 14,1% |
| | Epá | 2,1% | 2,2% | 1,4% |
| | Feast | 2,6% | 6,0% | 2,8% |
| | Magnum | 46,2% | 39,6% | 67,6% |
| | Perna de Pau | 6,2% | 9,7% | 2,8% |
| | Rol | 5,7% | 2,2% | 1,4% |
| | Solero | 1,9% | 5,2% | 1,4% |
| | Super Maxi | 1,0% | 5,2% | 5,6% |
| Nestlé | Extreme | 6,0% | 5,9% | 4,7% |
| | Fantasmikos | 5,2% | 1,0% | 2,3% |
| | KitKat | 16,4% | 17,6% | 23,3% |
| | Maxibon | 54,0% | 51,0% | 37,2% |
| | Nesquik | 2,9% | 6,9% | 7,0% |
| | Nestlé Gold | 3,6% | 9,8% | 18,6% |
| | Pirulo | 0,8% | 2,0% | 0,0% |
| | Smarties | 11,2% | 5,9% | 7,0% |

| Chi-square analysis to test the influence of age on ice cream appreciation | | | |
|--|-------|-------|-------|
| Appreciators | 18-34 | 35-54 | +55 |
| Light consumers (1-2) | 9,5% | 16,3% | 11,3% |
| Medium consumers (3-5) | 62,5% | 51,1% | 67,6% |
| Heavy consumers (6-7) | 27,9% | 32,6% | 21,1% |

Appendix 5 – Maxibon and Extreme Product Levels

According to Kotler & Keller (2006), both Maxibon and Extreme have different product levels. These ice creams provide a set of emotional benefits such as satisfaction, happiness and pleasure to the consumers who buy them (core benefit). In order to deliver these benefits, the products are manufactured with a set of key ingredients with the purpose of creating quality products (basic product). Moreover, consumers who buy this type of product will expect a quality, flavoured and attractive ice cream (expected product). With the aim of surpassing consumers' expectations, both products are produced under rigorous wellness standards to create not only flavoured and quality products but also healthy ones (augmented product).

Appendix 6 – Online Questionnaire focused on Young Adults



ESTUDO SOBRE OS JOVENS ADULTOS E OS SEUS INTERESSES

Obrigada por participar neste estudo.

Este estudo faz parte de uma tese de Mestrado desenvolvida para a NOVA School of Business and Economics. O estudo pretende investigar os jovens adultos e os seus interesses em geral, e em particular na categoria dos gelados.

Participação

A sua participação é fundamental para o desenvolvimento deste estudo. O tempo de preenchimento é de aproximadamente 5 minutos.

Confidencialidade

Ao longo deste estudo todas as respostas serão mantidas estritamente confidenciais e anónimas. Aproveitamos para salientar que não existem respostas certas ou erradas para as perguntas que vai encontrar.

Obrigada pela sua contribuição!

☐ Li a informação acima apresentada e desejo participar neste estudo.

Tem entre 18 e 34 anos?

- ☐ Sim
☐ Não

Conhece a marca GELADOS NESTLÉ?

- ☐ Sim
- ☐ Não

Por favor indique que imagem associa à marca GELADOS NESTLÉ.

| | | |
|---------------|---|-------------|
| Não Apelativa | <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> | Apelativa |
| Não Saudável | <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> | Saudável |
| Não Cool | <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> | Cool |
| Aborrecida | <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> | Divertida |
| Conservadora | <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> | Irreverente |

Por favor indique que imagem associa a festivais de música. (Ex: Optimus Alive, Super Bock Super Rock, Sudoeste TMN)

| | | |
|----------------------------|---|------------------------|
| Não São Cool | <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> | São Cool |
| Não Vou Com os Meus Amigos | <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> | Vou Com os Meus Amigos |
| São Sujos | <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> | São Limpos |
| Não Gosto | <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> | Gosto |
| São Aborrecidos | <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> | São Divertidos |
| Não Estão na Moda | <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> | Estão na Moda |

Imagine que vai haver um passatempo onde pode ganhar os seguintes items. Orderne por ordem de preferência. Sendo 1 = mais preferido. 4 = menos preferido.

Cheques oferta FNAC

Bilhetes para concertos (ex: Pavilhão Atlântico e Coliseu dos Recreios)

Assinatura anual da revista Blitz

Bilhetes para festivais de música (ex: Optimus Alive, Super Bock Super Rock e Sudoeste TMN)

Supondo que a Gelados Nestlé lança um passatempo em que o prémio é o item que colocou em 1º lugar de preferência na pergunta anterior, qual a probabilidade de participar?



Imagine que vai haver um passatempo onde pode ganhar os seguintes items. Orderne por ordem de preferência. Sendo 1 = mais preferido. 4 = menos preferido.

Uma viagem para Palma de Maiorca com tudo incluído para 4 amigos durante 7 noites

Um gadget (ex: tablet)

Uma motorizada vespa

Pack de 2 bilhetes de época e respectivo pagamento de quota anual (clube à escolha entre Benfica, Porto e Sporting)

Supondo que a Gelados Nestlé lança um passatempo em que o prémio é o item que colocou em 1º lugar de preferência na pergunta anterior, qual a probabilidade de participar?



Por favor indique das seguintes hipóteses que revistas e jornais lê habitualmente?

- | | |
|---|--|
| <input type="checkbox"/> A Bola | <input type="checkbox"/> Metro |
| <input type="checkbox"/> Blitz | <input type="checkbox"/> Público |
| <input type="checkbox"/> Caras | <input type="checkbox"/> Record |
| <input type="checkbox"/> Correio da Manhã | <input type="checkbox"/> Sábado |
| <input type="checkbox"/> Destak | <input type="checkbox"/> Sol |
| <input type="checkbox"/> Diário de Notícias | <input type="checkbox"/> Time Out Lisboa |
| <input type="checkbox"/> Exame | <input type="checkbox"/> Visão |
| <input type="checkbox"/> Expresso | |

Sexo

- ☐ Masculino
☐ Feminino

Habilitações literárias

- ☐ 9º ano (3º ciclo ensino básico)
☐ 12º ano (ensino secundário)
☐ Bacharelato ou Licenciatura
☐ Estudos pós-graduados (Pós-graduação, Mestrado ou Doutoramento)
☐ Outro

OBRIGADA pela sua participação!

PARA FINALIZAR O ESTUDO. POR FAVOR CLIQUE NO BOTÃO ABAIXO.

Por favor não discuta a natureza deste estudo com outros(as) participantes pois pode enviesar resultados futuros. Quaisquer questões / comentários relacionados com este estudo deverão ser enviados para studies07@novasbe.pt

Appendix 7 – Analysis of the Questionnaire focused on Young Adults

Please note that this questionnaire presents some limitations as it was done online using social networks as sample, consequently it is important to take into consideration the possibility of existing biases. This survey was sent to 90 individuals, having only 86 finished it.

I – Filters

Q2: Are you aged between 18-34 years old?

| Filter | | |
|--------|-----------|---------|
| | Frequency | Percent |
| Yes | 90 | 100,0 |
| Not | 0 | 0,0 |
| Total | 90 | 100,0 |

Q3: Do you know the brand GELADOS NESTLÉ?

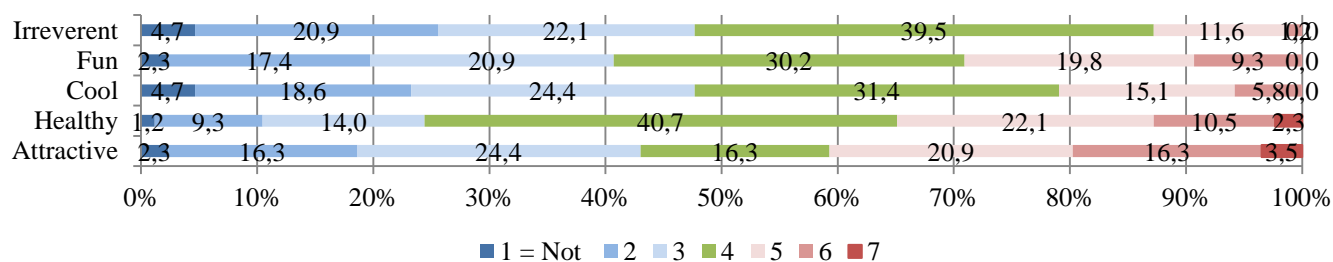
| Filter | | |
|--------|-----------|---------|
| | Frequency | Percent |
| Yes | 86 | 95,6 |
| Not | 4 | 4,4 |
| Total | 90 | 100,0 |

II – Sociodemographics

| Respondents' Profile | | | |
|----------------------|---|-----------|---------|
| Variable | | Frequency | Percent |
| Gender | Female | 46 | 53,5 |
| | Male | 40 | 46,5 |
| Level of education | 9º ano (3º ciclo ensino básico) | 0 | 0,0 |
| | 12º ano (ensino secundário) | 9 | 10,5 |
| | Bacharelato ou Licenciatura | 31 | 36,0 |
| | Estudos pós-graduados (Pós-graduação, Mestrado ou Doutoramento) | 45 | 52,3 |
| | Outro | 1 | 1,2 |

III –Image of Gelados Nestlé

Q4: Please indicate what image do you associate with Gelados Nestlé.

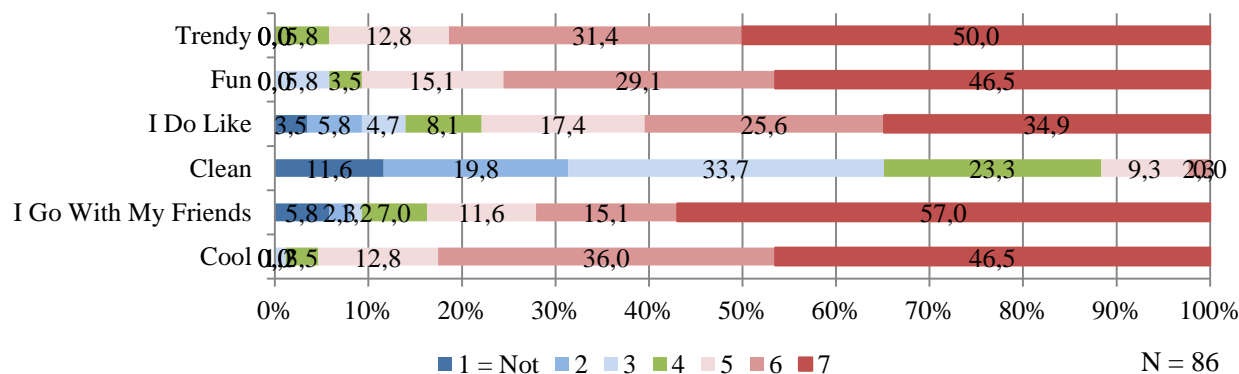


Attributes' Means

| | 1= Not Attractive; 7 = Attractive | 1= Not Healthy; 7 = Healthy | 1= Not Cool; 7 = Cool | 1= Boring; 7 = Fun | 1= Conservative; 7 = Irreverent |
|------|--------------------------------------|--------------------------------|--------------------------|-----------------------|------------------------------------|
| Mean | 4,0 | 4,14 | 3,51 | 3,76 | 3,36 |

IV – Image of Music Festivals

Q5: Please indicate what image do you associate with music festivals (Eg. Optimus Alive)



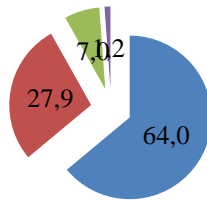
Attributes' Means

| | 1= Not Cool; 7 = Cool | 1= I Do Not Go With My Friends; 7 = I Go With My Friends | 1= Are Dirty; 7 = Are Clean | 1= I Do Not like; 7 = I Do Like | 1= Boring; 7 = Fun | 1= Are Not Trendy; 7 = Are Trendy |
|------|--------------------------|---|--------------------------------|------------------------------------|-----------------------|--------------------------------------|
| Mean | 6,23 | 5,90 | 3,06 | 5,47 | 6,07 | 6,26 |

V – Young Adults' Preferences

Q6: Imagine that is going to start a contest in which the prizes are the following. Please sort them according to your preferences. Being 1 = less preferred and 4 = most preferred.

Chosen in 1st Place



■ Tickets for Music Festivals (Eg. Optimus Alive)

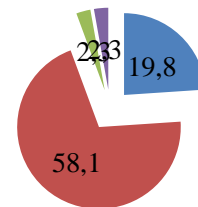
■ FNAC's Gift Cheques

■ Tickets for Concerts (Eg. Pavilhão Atlântico)

■ Blitz's Annual Subscription

N = 86

Chosen in 2nd Place



■ Tickets for Music Festivals (Eg. Optimus Alive)

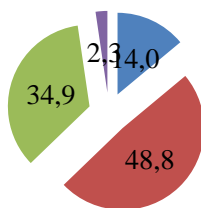
■ FNAC's Gift Cheques

■ Tickets for Concerts (Eg. Pavilhão Atlântico)

■ Blitz's Annual Subscription

N = 86

Chosen in 3rd Place



■ Tickets for Music Festivals (Eg. Optimus Alive)

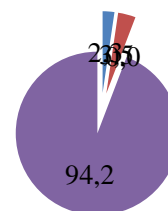
■ FNAC's Gift Cheques

■ Tickets for Concerts (Eg. Pavilhão Atlântico)

■ Blitz's Annual Subscription

N = 86

Chosen in 4th Place



■ Tickets for Music Festivals (Eg. Optimus Alive)

■ FNAC's Gift Cheques

■ Tickets for Concerts (Eg. Pavilhão Atlântico)

■ Blitz's Annual Subscription

N = 86

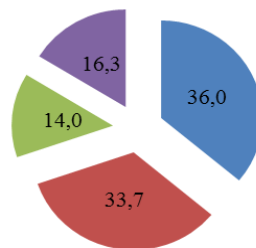
Q7: Assuming that Gelados Nestlé's launches a contest in which the prize is the item that you chose in 1st place on the previous question, what is the probability of you participating?

| | |
|------|--------|
| Mean | 57,67% |
|------|--------|

N = 86

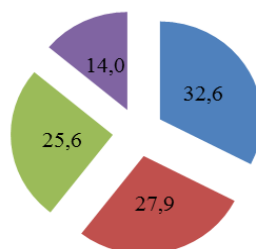
Q8: Imagine that is going to start a contest in which the prizes are the following. Please sort them according to your preferences. Being 1 = less preferred and 4 = most preferred.

Chosen in 1st Place



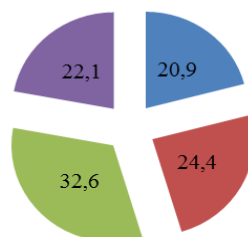
- An all-inclusive trip to Palma de Maiorca for 4 friends during 7 nights
 - A motorized Vespa
 - A gadget (Eg. Tablet)
 - 2 season tickets and respective annual quota (choice between Benfica, Porto and Sporting)
- N = 86

Chosen in 2nd Place

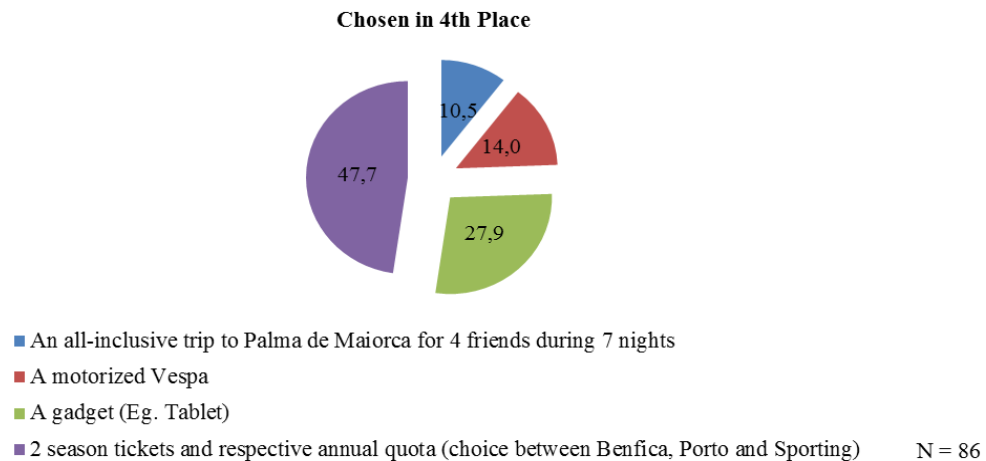


- An all-inclusive trip to Palma de Maiorca for 4 friends during 7 nights
 - A motorized Vespa
 - A gadget (Eg. Tablet)
 - 2 season tickets and respective annual quota (choice between Benfica, Porto and Sporting)
- N = 86

Chosen in 3rd Place



- An all-inclusive trip to Palma de Maiorca for 4 friends during 7 nights
 - A motorized Vespa
 - A gadget (Eg. Tablet)
 - 2 season tickets and respective annual quota (choice between Benfica, Porto and Sporting)
- N = 86



Q9: Assuming that Gelados Nestlé's launches a contest in which the prize is the item that you chose in 1st place on the previous question, what is the probability of you participating?

| | |
|------|--------|
| Mean | 66,05% |
|------|--------|

N = 86

VI – Magazines and Newspapers preferred by Young Adults

Q10: Please indicate which magazines and newspapers do you regularly read.

